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The TOBACCO SITUATION

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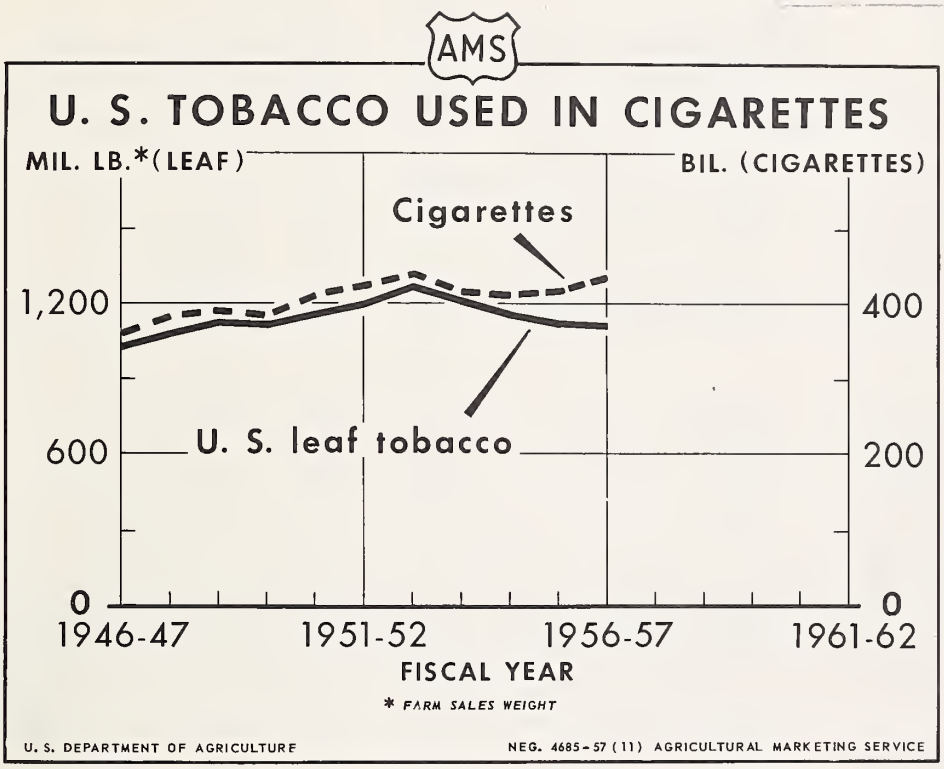

The combined use of flue-cured, burley, and Maryland tobacco in cigarettes in 1956-57, was 11 percent below the 1952-53 peak even though the number of cigarettes manufactured was nearly the same. On the average in 1952-53, one pound of domestic tobacco--farm sales weight--was required to produce 325 cigarettes; by 1956-57, about 360 cigarettes were being obtained from a pound of tobacco.

This increase has resulted mainly from the sharp shift towards filter tips which require less tobacco per unit of output than nonfilter tips, the more complete utilization of tobacco leaves (stems and processed sheet tobacco), and the improved machinery and techniques which reduced loss or waste. These factors will continue to affect the level of leaf use in the period ahead.

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UNITED STATES DEPARTMENT OF AGRICULTURE

STATISTICAL SUMMARY

Item	Unit or base period	1956 Aug.	1956 Sept.	1956 Oct.	1956 Nov.	1957 Aug.	1957 Sept.	1957 Oct.	1957 Nov.	Last data available as percentage of a year earlier
Average prices at auctions										
Flue-cured	Cents per lb.	50.8	53.0	51.8	48.7	57.0	55.6	53.6	48.9	100
Burley	Cents per lb.	C - l - o - s - e - d			61.1	C - l - o - s - e - d			61.7	101
Maryland	Cents per lb.	C - l - o - s - e - d				47.8	C - l - o - s - e - d			---
Fire-cured	Cents per lb.	C - l - o - s - e - d			39.0	C - l - o - s - e - d				---
Dark air-cured (35-36)	Cents per lb.	C - l - o - s - e - d				C - l - o - s - e - d				---
Virginia sun-cured (37)	Cents per lb.	C - l - o - s - e - d				C - l - o - s - e - d				---
Parity prices										
Flue-cured	Cents per lb.	54.7	54.5	54.5	54.9	56.3	56.5	56.5	56.9	104
Burley	Cents per lb.	53.6	53.4	53.4	53.8	57.2	57.4	57.4	57.8	107
Maryland	Cents per lb.	54.0	54.0	54.0	54.5	55.2	55.4	55.2	55.4	102
Fire-cured	Cents per lb.	36.3	36.2	36.2	36.4	38.6	38.8	38.8	39.0	107
Dark air-cured (35-36)	Cents per lb.	31.1	31.0	31.0	31.2	33.0	33.2	33.2	33.4	107
Virginia sun-cured (37)	Cents per lb.	33.1	33.0	33.0	33.2	35.4	35.5	35.5	35.8	108
Parity index 1/	1910-14=100	287	287	288	289	295	296	296	298	103
Tax-paid removals										
Cigarettes, small	Billion	37.6	30.4	37.2	33.6	38.0	34.7	38.2		103
Cigars, large	Million	514	456	550	632	525	500	563		102
Chewing and smoking	Mil. lb.	13.7	11.7	13.8	12.0	13.4	12.3	13.6		99
Snuff	Mil. lb.	3.5	2.9	3.5	2.9	3.2	3.0	3.2		91
Accumulated from Jan. 1										
Cigarettes, small	Billion	265	296	333	366	279	313	351		105
Cigars, large	Million	3,660	4,116	4,665	5,298	3,739	4,240	4,803		103
Chewing and smoking	Mil. lb.	97	109	123	135	93	105	119		97
Snuff	Mil. lb.	25	28	32	35	24	27	30		94
Tax-free removals										
Cigarettes, small	Billion	2.9	3.0	2.7	2.6	2.8	2.8	2.6		96
Cigars, large	Million	7.0	6.6	6.9	7.2	5.5	7.4	8.9		129
Chewing and smoking	Mil. lb.	.4	.4	.3	.3	.2	.2	.4		133
Accumulated from Jan. 1										
Cigarettes, small	Billion	20.2	23.2	25.9	28.5	21.7	24.5	27.2		105
Cigars, large	Million	45.8	52.4	59.3	66.5	46.1	53.5	62.4		105
Chewing and smoking	Mil. lb.	2.3	2.7	3.0	3.2	2.2	2.5	2.9		97
Disposable personal income 2/	Bil. dol.		288.8				303.0			105
Index of industrial production 3/	1947-49=100	143	144	146	146	145	144	141	139	95
Employment	Million	66.8	66.1	66.2	65.3	66.4	65.7	66.0	64.9	99
Labor force employed	Percent	96.8	97.1	97.2	96.4	96.2	96.3	96.3	95.3	99
Exports (farm-sales wt.)										
Flue-cured	Mil. lb.	34.4	80.9	70.3	42.8	38.5	76.4	76.4		109
Burley	Mil. lb.	2.1	3.7	2.9	1.0	1.7	1.6	1.5		52
Maryland	Mil. lb.	.9	1.4	1.3	.6	.8	2.6	.8		62
Fire-cured	Mil. lb.	2.4	3.5	2.9	2.1	3.2	3.1	2.6		90
Dark air-cured	Mil. lb.	.5	.6	.3	.8	.9	2.0	.5		167
Cigar	Mil. lb.	.4	.7	.8	.7	.8	.9	1.5		188
Accumulated from beginning of marketing yr. 4/										
Flue-cured	Mil. lb.	53.3	134.2	204.5	247.3	67.4	143.7	220.1		108
Burley	Mil. lb.	30.6	34.4	2.9	3.9	26.6	28.2	1.5		52
Maryland	Mil. lb.	11.6	12.9	1.3	1.9	11.0	13.5	.8		62
Fire-cured	Mil. lb.	30.1	33.5	2.9	4.9	27.2	30.3	2.6		90
Dark air-cured	Mil. lb.	5.2	5.8	.3	1.1	9.2	11.2	.5		167
Cigar filler and binder	Mil. lb.	2.8	3.1	.4	.9	3.5	3.9	1.2		300
Cigar wrapper	Mil. lb.	.6	1.0	1.3	1.5	1.0	1.5	.3		23
General imports, all commodities	Mil. dol.	1,055	995	1,121	987	1,042	1,007	1,141		102
Accumulated from Jan. 1	Mil. dol.	8,453	9,448	10,569	11,556	8,632	9,639	10,780		102
Sterling area gold and dollar reserves 5/	Mil. dol.	2,276	2,328	2,244	1,965	2,142	1,850	2,093	2,185	111
Stocks of domestic types (farm-sales weight) 6/										
Flue-cured	Mil. lb.			2,664				2,790		105
Burley	Mil. lb.			1,301				1,299		100
Maryland	Mil. lb.			77				79		103
Fire-cured	Mil. lb.			138				146		106
Dark air-cured	Mil. lb.			85				83		98
Cigar, filler	Mil. lb.			185				179		97
Cigar, binder	Mil. lb.			110				99		90
Cigar, wrapper	Mil. lb.			22				21		95

1/ Prices paid, interest, taxes, and farm wage rates. 2/ Annual rate, seasonally adjusted. 3/ Seasonally adjusted.
4/ July 1 for flue-cured and cigar wrapper and October 1 for other types. 5/ Held in London. 6/ Dealers' and manufacturers' holdings in United States and Puerto Rico on first day of quarter.

THE TOBACCO SITUATION

Approved by the Outlook and Situation Board, December 19, 1957

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SUMMARY

Substantial cuts in acreage as the result of lower allotments and the Soil Bank were mainly responsible for the reduction in the 1957 tobacco crop to the smallest in 14 years. Yields per acre, though comparatively high, with few exceptions average below the record and near-record levels of 1956. The cut in output helped reduce excess supplies but supplies of most kinds remain large because of big carryovers from previous crops.

The flue-cured acreage allotment for 1958 is virtually the same as that for 1957, which was 20 percent under 1956. The 1958 marketing quotas and acreage allotments for burley, Maryland, fire-cured, dark air-cured and sun-cured, and the eligible cigar types of tobacco will be announced by February 1. Under existing law, grower referendums are held for each kind of tobacco (except cigar wrapper) every third year. When at least two-thirds of the growers voting are in favor, quotas are applied to the next three crops. The only referendums to be held prior to the 1958 planting season are two affecting the fire-cured and dark air-cured types. Growers of several other kinds of tobacco will vote in the latter part of 1958 or early 1959 on whether they favor continuing marketing quotas on the 1959, 1960, and 1961 crops.

The Soil Bank program will again be available to tobacco growers in 1958. National average rates of payment will be the same as in 1957 but participants will receive a premium if they place the same land in the acreage reserve as in 1957.

The 1958 support prices for the kinds of tobacco under marketing quota will be 90 percent of parity except for fire-cured, dark air-cured, and sun-cured. For several years, price supports for these kinds have been computed at fixed percentages of the burley support level. Beginning with the 1958 crop, however, support prices for these kinds cannot exceed 1957 levels unless 90 percent of parity for these tobaccos rises above their 1957 support levels.

For flue-cured tobacco varieties Coker 139, Coker 140, and Dixie Bright 244, the 1958 price supports will be at one-half the support rate for comparable grades of other varieties. This continues the policy of the past year. The specified varieties are considered low to lacking in flavor and aroma and are generally of light body.

Output of cigarettes in calendar 1957 is estimated near 441 billion--about 4 percent above 1956 and a record high. Factory removals have exceeded consumption as new sizes of existing brands and new brands of menthol cigarettes had to be shipped to fill distribution channels. Available data suggest that the early-summer publicity linking excessive smoking and lung cancer has not yet affected consumption to any appreciable extent.

Cigarettes absorb big quantities of flue-cured and burley and the major share of Maryland tobacco. Although the number of cigarettes manufactured this year has reached a new high, the quantity of farm-sales-weight tobacco utilized continues to trend downward. If cigarettes had required as much leaf during the past 3-year period as formerly, approximately 250 million pounds more tobacco would have been used. Major factors contributing to the drop in total leaf use have been the sharp shift to filter tips, which take less tobacco per unit of output, development of processed sheet, and greater use of stems.

The 1957 output of smoking tobacco for pipes and "roll-your-own" cigarettes probably totals near 71 million pounds, about 1 percent less than in 1956 and the lowest since the 1890's. In the last half of 1957, the decline in smoking tobacco consumption halted and output began to run ahead of the comparable period of 1956. However, it does not appear that there will be any appreciable rise in the year ahead.

Total 1957 consumption of cigars and cigarillos in the United States and by overseas forces is estimated at 6.2 billion--a little above 1956. Cigar consumption in 1958 is expected to continue near the 1957 level or perhaps gain a little. The use of manufactured binder is steadily replacing natural leaf binders on cigars.

The 1957 outputs of chewing tobacco and snuff are estimated at 73 million and 36 million pounds--both down about 4 percent from 1956. Consumption of chewing tobacco has been declining a long time, but a significant downturn in snuff has come only in the past 2 years.

The 1957 calendar year exports of unmanufactured tobacco are estimated to be at least 490 million pounds (550 million farm-sales weight). This is

about 4 percent less than in 1956 but a little over the 1951-55 average. Flue-cured comprises more than four-fifths of total tobacco exports, with burley and fire-cured tobaccos next in importance. Tobacco exports in the 1957-58 marketing year are likely to be moderately below 1956-57.

The total supply of flue-cured for 1957-58 is 3½ billion pounds--down 5 percent from the record level of 1956-57. The 1957 crop was 31 percent smaller than in 1956 but carryover reached a new peak. Another small crop next year, together with some reduction in carryover, will bring supplies for 1958-59 down another 4 or 5 percent.

Marketings of the 1957 flue-cured crop have been completed. Prices at auctions averaged 55 cents per pound--7 percent above 1956 and just topping the previous record of 54-2/3 cents per pound for the 1950 season.

The 1957-58 total supply of burley at nearly 1.8 billion pounds is 1 percent lower than 1956-57 and 4 percent below the peak level of 3 years ago. Burley auctions opened in late November; through December 18 gross sales totaled 425 million pounds, averaging 61.8 cents a pound, 1½ cents below the record level of last season. There is more burley of lower and medium quality this season than last but many grade prices are higher.

The total supply of Maryland tobacco for 1957-58 is estimated at 102 million pounds, 4 percent lower than a year ago. Maryland tobacco exports in the recent marketing year were the largest since the late 1920's.

The sharp reduction in the 1957 production of fire-cured and dark air-cured tobaccos (over one-fifth) moderately reduced total supplies for 1957-58. Carryovers are still heavy and relatively substantial quantities are being carried in Government loan stocks. These types are utilized domestically in snuff and chewing tobacco. A sizable quantity of dark air-cured went into nonchewing uses in the recent marketing year. Auction markets for Virginia fire-cured and sun-cured, and the Kentucky-Tennessee dark air-cured opened during early December. Prices for early season sales of Virginia fire-cured and sun-cured have averaged a little below those in the comparable period of a year ago; prices for dark air-cured, particularly Green River, have averaged higher than a year ago.

The 1957-58 total supply of continental cigar filler is 5 percent less than in 1956-57 and the lowest on record. The 1957-58 total supply of the cigar binder types is 12 percent below 1956-57 and 21 percent below 2 years ago. Production in the Connecticut Valley is down very sharply due mainly to participation in the Soil Bank program. Domestic use of the Connecticut Valley types has declined sharply and reflects decreases in leaf use as processed binder sheet expands.

The 1957-58 total supply of shade-grown cigar wrapper is nearly 6½ percent above 1956-57 and a record high.

TOBACCO PRODUCTS

Cigarettes

Output of cigarettes in calendar 1957 is estimated at near 441 billion--about 4 percent above 1956 and 1 percent above the previous high in 1952. Tax-paid shipments for domestic use, at close to 408 billion, exceeded the 1956 total by about 15 billion. Consumption did not increase this much, however, for substantial shipments of new sizes of existing brands and new brands were made to fill distribution channels. Leading brands of filter tip cigarettes in the 80 millimeter lengths and new brands of menthol cigarettes have been placed on the market in recent months. Tax-free shipments of cigarettes in 1957 at about 32 billion topped last year by over a billion. Exports to foreign countries accounted for about a half and shipments to overseas forces and United States possessions for most of the rest of the tax-free category.

Table 1.--Cigarettes: Total output, domestic consumption, shipments, and exports for specified periods

Period	Total output	Domestic consumption 1/	Shipments and other 2/	Exports
	Billions	Billions	Billions	Billions
Average:				
1935-39	164.2	157.0	1.7	5.5
1940-44	256.9	223.5	27.5	5.8
1945	332.2	267.2	58.1	6.9
1946	350.0	321.7	6.6	24.1
1947	369.7	335.4	11.5	22.8
1948	386.8	348.5	13.5	25.2
1949	385.0	351.8	13.7	19.5
1950	392.0	360.2	17.5	14.3
1951	418.8	379.7	22.1	16.8
1952	435.5	394.1	23.6	16.4
1953	423.1	386.8	20.8	16.2
1954	401.8	368.7	17.8	15.4
1955	412.3	382.1	15.2	15.1
1956	424.2	393.2	15.3	15.7
1957 3/	441.0	4/408.0	16.0	16.2

1/ As indicated by tax-paid removals. 2/ Mainly to armed forces, United States possessions, and for ships' stores. 3/ Estimate. 4/ Probably overstates consumption due to stocking in trade channels of new sizes and brands.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and of the United States Department of Commerce.

The comparatively high level of cigarette removals from factories during August-October (October data are the most recent available) suggests that the early-summer publicity linking excessive cigarette smoking and lung cancer has not yet affected consumption to any appreciable extent. It is not certain that cigarette consumption in 1958 will continue the strong upward trend of most of the past year. Various studies of cigarettes and health are under way and additional findings will be announced from time to time.

Although the number of cigarettes manufactured this year has reached a new high, the quantity of farm-sales-weight tobacco utilized in cigarettes continued to trend downward. Filter tip cigarettes require less tobacco per unit of output than nonfilter tips. Trade reports indicate that two-fifths or possibly more of the 1957 output were filter tips. In the last few months, a sizable volume of filter tips has been manufactured in the 6 percent shorter length--the 80 millimeter size. Until this development, a preponderant majority were 85 millimeters in length--the king size. The filter plug usually accounts for 13-15 millimeters of this overall length and some now have 17 millimeter filter plugs. If longer filters should be generally adopted for filter tip cigarettes, this would mean a further reduction in tobacco requirements per unit of output.

Other factors have been holding down the use of leaf in cigarettes. Processed-sheet tobacco and stems are being utilized on an increasing scale. This and new and more efficient machinery have reduced the loss or waste between the initial purchase of farm-sales-weight leaf and the final stage of cigarette manufacture.

Table 2.--Cigarette exports from the United States to leading destinations for specified periods

Country	Average 1950-54	1955	1956	January-October 1956	January-October 1957	1957 as percentage of 1956
	Mil.	Mil.	Mil.	Mil.	Mil.	Pct.
Venezuela	1,455	1,744	1,953	1,572	1,834	117
Morocco	1,811	1,144	1,751	1,425	1,550	109
France	642	979	777	701	1,110	158
Hong Kong	944	842	863	724	949	131
British Malaya	633	511	687	540	729	135
Sweden	624	679	769	623	520	83
Panama-Canal Zone	721	617	557	476	486	102
W. Germany	385	500	515	433	429	99
Belgium	890	507	487	404	493	122
Denmark	249	372	356	300	376	125
Other countries 2/	7,474	7,231	6,999	6,134	5,229	85
Total all countries	15,828	15,126	15,714	13,332	13,705	103

1/ Preliminary. 2/ Includes about 90 to 95 foreign destinations in recent years.
Compiled from publications and records of the Bureau of the Census.

The number of cigarettes turned out per pound of leaf in 1957 was probably one-tenth greater than 3 years ago. If during the past 3 years cigarettes had required on the average as much leaf as formerly, about an additional 250 million pounds of tobacco probably would have been used during the period. Around a half of this drop from what might have been expected was due to the sharp shift towards filter tip cigarettes; most of the rest of this drop was probably due to the processed sheet development and greater use of stems.

Cigars

Total 1957 consumption of cigars and cigarillos in the United States and by overseas forces is estimated at 6.2 billion--a little above 1956. This is the largest since the late 1920's. Cigar consumption in 1958 is expected to continue near the 1957 level--perhaps gaining a little. No official statistics are available on cigarillos as separate from large cigars but cigarillos probably comprised a significant and growing share of the total. Cigarillos are much smaller than the traditional size for large cigars, and their leaf requirement per unit of output is smaller.

Production of manufactured binder continues to expand. Probably more than two-fifths of total output now has the processed binder instead of natural leaf binder. A very large share of cigarillos is now made with the processed binder.

About 94 percent of United States cigar consumption is provided by domestic factories. The other 6 percent is supplied from bonded manufacturing warehouses (utilizing only imported tobacco), Puerto Rican factories, and imports. Indications are that output in bonded manufacturing warehouses will reach a new high this year. The number shipped from Puerto Rico to the United States is the highest since 1931. Imports of cigars from Cuba are the largest since 1945 but remain a small fraction of total consumption.

During the first three-fourths of 1957, about 53 percent of all cigars retailed at 8 cents apiece or less; 41 percent retailed at 8.1-15 cents; and the remaining 6 percent at higher than 15 cents each. Nearly all cigars coming from Puerto Rico are in the 8.1-15.0 cent bracket while most cigars made exclusively from imported tobacco in the bonded manufacturing warehouses and those imported from Cuba sell for more than 15 cents each.

Smoking Tobacco

The 1957 output of smoking tobacco for pipes and roll-your-own cigarettes probably totals near 71 pounds--almost 1 percent less than in 1956 and the lowest since the late 1890's. Consumption of smoking tobacco during the first half of 1957 was 8 percent lower than a year earlier; however, during the 4 months ending with October, use of smoking tobacco stopped its steady decline. Consumption topped that of July-October 1956 by 6½ percent. With consumer incomes continuing high, a sustained and appreciable rise in purchases of smoking tobacco is hardly likely during 1958. Concern about the alleged effects of cigarettes on health may turn some smokers or potential smokers

Table 3 .- Cigars 1/: Output and domestic consumption for specified periods

Period	Domestic factories			Bonded manufacturing warehouses	Imports for consumption		From Puerto Rico: Tax-paid withdrawals in United States
	Total output	Tax-paid removals	Tax-free removals	Tax-paid removals	Total 2/	From Cuba	
	Millions	Millions	Millions	Millions	Millions	Millions	Millions
Average:							
1935-39	5,075	5,060	13	66	192.4	3.0	27.4
1940-44	5,450	5,282	199	105	93.7	15.3	11.6
1945	5,275	4,774	469	82	60.0	59.8	85.3
1946	5,618	5,621	26	125	22.2	20.1	77.8
1947	5,488	5,460	41	124	12.5	9.1	6.2
1948	5,645	5,588	38	140	11.8	10.3	5.0
1949	5,453	5,399	46	142	10.9	10.2	4.6
1950	5,399	5,365	47	160	11.9	11.1	.7
1951	5,594	5,518	85	177	14.3	13.0	.7
1952	5,825	5,755	102	196	14.6	12.5	1.9
1953	5,915	5,820	90	205	16.8	13.4	9.9
1954	5,820	5,690	89	206	16.3	12.3	49.5
1955	5,776	5,688	82	227	20.3	14.7	84.3
1956	5,767	5,633	72	230	22.8	18.4	93.2
1957 3/	5,880	5,800	75	237	25.0	19.5	110.0

1/ Weighing over 3 pounds per 1,000 and including cigarillos.

2/ Predominant share of cigar imports prior to World War II came from the Philippine Islands.

3/ Estimate.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

to pipes. Use of "roll-your-own" cigarettes also may have increased according to recent indications. For the year through September, tax-paid ciagrette papers were ahead of those during the same period of 1956. In addition many cigarette papers are given away tax-free, but recent months data for these are not available. During fiscal year 1956-57, the total number of cigarette papers (tax-paid and tax-free) dropped 9 percent below 1955-56 and 35 below 5 years earlier.

Exports of packaged smoking tobacco during January-October 1957 totaled about a half million pounds--practically the same as in the comparable months of a year earlier. Canada took two-fifths and numerous foreign outlets took the rest.

Although largely not covered in output statistics of manufactured tobacco as reported by the Internal Revenue Service, a sizable volume of manufactured bulk tobacco is reported in Census export statistics. This export category includes specially prepared cigarette tobacco, cut or granulated tobacco, partially processed-blended tobacco, and shredded tobacco. During the first 10 months of 1957, these exports totaled 3.6 million pounds--nearly one-fifth lower than in the comparable period of 1956. The major destinations were Spain, Panama, Mexico, Dominican Republic, Haiti, Bolivia, and Ecudor. The major declines were in shipments to the Philippine Republic and Vietnam, Laos, and Cambodia, only partly offset by the substantially larger quantity than a year earlier which went to Spain.

Table 4.--Output of manufactured tobacco in the United States for specified periods

Period	Smoking	Chewing					Snuff
		Plug	Twist	Fine-cut	Scrap	Total	
	Mil.lb	Mil.lb	Mil.lb	Mil.lb	Mil.lb	Mil.lb	Mil.lb
Average							
1935-39	195.3	56.8	6.0	4.8	43.8	111.4	37.3
1940-44	176.2	54.8	6.0	4.6	47.9	113.3	40.7
1945	168.5	59.7	6.7	4.0	47.7	118.1	43.8
1946	106.4	51.8	5.8	3.8	46.1	107.5	39.4
1947	104.7	47.3	5.2	3.8	42.2	98.5	39.2
1948	107.6	45.3	5.6	3.2	42.1	96.2	40.8
1949	108.1	41.9	5.6	2.8	39.6	89.9	40.9
1950	107.7	40.3	5.5	2.7	39.0	87.5	40.0
1951	101.3	39.9	4.6	2.8	39.1	86.4	39.5
1952	96.8	39.1	4.8	2.8	38.2	84.9	38.8
1953	86.6	38.1	4.7	2.9	38.1	83.8	39.1
1954	83.7	36.9	4.9	2.9	36.6	81.3	38.5
1955	80.0	36.5	4.5	3.0	36.0	80.0	39.2
1956	71.5	33.0	4.3	2.9	35.5	75.7	37.7
1957 1/	71.0	32.0	4.0	2.8	34.2	73.0	36.0

1/ Estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.

Chewing Tobacco

The 1957 output of chewing tobacco totals about 73 million pounds nearly 4 percent less than in 1956 and the smallest on record. A continuation of the long term downtrend is expected in 1958. Modern attitudes and circumstances of employment and living generally tend to discourage the use of chewing tobacco. There are employments, however, where hazards of fire, explosion or dust make chewing or snuff the only practicable forms of tobacco consumption.

The major categories of chewing tobacco are scrap, which mainly utilizes certain grades of the cigar binder types, and plug wihch mainly utilizes burley and dark air-cured tobacco. In the past decade, plug chewing has dropped farther than scrap chewing. Two smaller categories of chewing tobacco are twist and fine-cut. In recent years, fine-cut chewing has been steadier than the others though it, too, is well below what it was 10 years ago.

Export markets take about 2 percent of total chewing tobacco output. Most of this is twist and plug. During the first 10 months of 1957, exports of chewing tobacco were 8 percent lower than in the comparable period of 1956. Australia, the leading outlet, took moderately less while the Phillippine Republic, ranking second, took much less than a year earlier. Of two smaller foreign outlets, a little less went to Panama but shipments to the French Pacific Islands more than doubled.

Snuff

The 1957 output of snuff is estimated at near 36 million pounds $4\frac{1}{2}$ percent less than in 1956 and nearly 8 percent less than in 1955. The 1957 output is the lowest since the mid-1930's. Per capita consumption of snuff has been declining since the end of World War II mainly as the result of population increase. Virtually the entire output is consumed domestically. Until 1956, the fluctuation in total consumption was within a narrow range. The successive declines in the total in the last 2 years may mark the beginning of a more pronounced downtrend in the use of snuff. Wholesale prices of snuff increased a tenth about the middle of the year--the first significant advance in several years.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

The 1957 calendar year exports of tobacco are estimated to be at least 490 million pounds, declared weight (equivalent to 550 million, farm-sales weight), compared with 510 million pounds in 1956 and the annual average of 486 million during 1951-55.

Export shipments are usually heavy during August-December after substantial quantities of the new crop of flue-cured have been marketed. During

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1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

December this year, exports were probably below the unusally large quantity shipped in December 1956. Export purchases reportedly were strong, particularly during the first half of the recent sales season.

This year's flue-cured crop contained a substantial proportion of tobacco with characteristics desired by foreign buyers. The August-October 1957 exports of flue-cured were 3 percent above the comparable figure for last season, though this year's crop was down sharply from 1956. Average value per pound of flue-cured exported during August-October of this year was one-tenth higher than a year earlier, reflecting the higher auction market prices. Flue-cured generally accounts for over four-fifths of total tobacco exports from this country.

During the first 10 months of 1957, burley exports were down about a fourth from those in the comparable period in 1956 and were a fifth lower than the comparable 1951-55 average. The strong demand for this year's crop of burley and the high level of most grade prices will limit burley exports to some foreign markets.

The January-October 1957 exports of Kentucky-Tennessee fire-cured were one-eighth below those in the comparable period of last year and slightly below the comparable 1951-55 average. Exports of Green River and One Sucker were up sharply mainly because of the heavy shipments at reduced prices to Union of South Africa.

Exports of Maryland tobacco during January-October were ahead of the high level of a year earlier, and there were substantial percentage gains for cigar binder and wrapper tobacco and Virginia fire-cured.

During 1957, gold and dollar reserves of some important European countries have declined moderately from the levels of a year earlier, while those of France and Spain were down sharply. German gold and dollar reserves rose substantially and those of Switzerland and Sweden also gained. Gold and dollar reserves of the sterling area held in London at the end of November were up about a tenth from the relatively low level of a year earlier but 8 percent below the June level, the high point for the year. The United Kingdom and other countries have adopted or tightened measures aimed at curbing inflation and adjusting their foreign trade balances.

During the year ending June 30, 1958, total exports of tobacco may decline 5 percent or more from the 1956-57 level.

United States flue-cured tobacco competes in world markets principally with tobacco from the Federation of Rhodesia and Nyasaland, Canada and India, all of which produce and export substantial quantities of flue-cured. Turkey and Greece--which grow almost entirely oriental tobacco--are also important producing and exporting countries.

Table 5 .--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

(Declared weight)

Country and type	Average 1934-38	Average 1950-54	1955	1956 1/	January - October 1956 1/	January - October 1957 1/	January - October 1957 as percentage of 1956
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Flue-cured	324.9	391.2	456.1	420.4	336.8	341.4	101
Burley	11.6	28.9	31.7	29.2	24.1	18.2	76
Maryland	5.5	7.5	8.4	12.1	10.3	10.8	105
Va. fire-cured and sun-cured	9.7	4.8	4.4	4.4	3.8	4.5	118
Ky. and Tenn. fire-cured	53.7	23.1	21.4	24.2	21.1	18.3	87
Green River	3.0	1.7	1.8	1.3	.9	1.4	156
One Sucker	.7	1.8	1.7	2.4	.5	2.5	500
Black Fat, etc.	9.0	4.0	5.3	4.6	3.5	3.5	100
Cigar wrapper	)	3.5	4.2	3.9	3.3	3.8	115
Cigar binder	)1.3	2.7	1.7	3.1	1.7	2.4	141
Cigar filler	)	.6	.2	.8	.4	.1	25
Perique	.1	.1	.1	.1	.1	.1	100
Stems, trimmings, and scrap	17.8	3.8	3.3	3.9	3.3	3.6	109
Total	437.3	473.7	540.3	510.4	409.8	410.6	100
Country of destination							
United Kingdom	213.9	148.2	183.9	156.4	125.1	135.3	108
France	21.0	8.5	7.9	6.4	4.1	6.9	168
Belgium	15.5	19.6	25.0	21.8	18.3	14.0	77
Netherlands	15.6	33.8	31.0	33.0	27.5	26.4	96
Germany, W. and E.	12.8	64.9	59.2	70.0	60.2	60.6	101
Portugal	4.8	6.6	6.9	7.9	7.7	5.6	73
Denmark	4.6	11.0	12.3	12.5	9.6	11.7	122
Ireland	7.4	16.6	12.8	8.8	8.2	7.5	91
Switzerland	3.8	12.2	10.8	13.8	11.3	11.3	100
Norway	4.7	7.4	7.8	8.5	7.0	6.8	97
Sweden	7.2	12.3	11.3	14.4	11.5	13.0	113
Italy	1.1	3.4	4.5	6.6	6.6	4.8	73
Hong Kong	1.6	4.2	4.3	3.7	3.0	3.1	103
Australia	18.4	23.5	31.6	23.2	14.1	25.0	177
India	)2.6	1.8	3.0	1.6	1.3	3.6	277
Pakistan	)	.8	2.6	2.7	2.3	2.9	126
New Zealand	2.5	6.3	7.6	7.1	5.7	4.5	79
Philippine Rep.	1.2	21.3	21.5	2.3	2.2	.1	5
Indonesia	2.0	11.3	9.9	17.8	14.4	7.8	54
Japan	7.3	5.1	17.5	5.8	3.2	1.3	41
Other countries 2/	89.3	54.9	68.9	86.1	66.5	58.4	88
Total	437.3	473.7	540.3	510.4	409.8	410.6	100

1/ Preliminary.
2/ Less than 50,000 pounds.

Compiled from publications and records of the Bureau of the Census.

The 1957 flue-cured crop harvested in the Federation of Rhodesia and Nyasaland totaled about 149 million pounds, one-sixth less than the 1956 record crop but otherwise larger than any previous year. The average price of 1957 sales of Southern Rhodesian tobacco was equivalent to 45.9 cents per pound--nearly 20 percent more than in 1956 and 10 percent above the 1951-55 average. Quality of the 1957 crop was considerably better than that of the 1956 crop. Purchases by the United Kingdom totaled 81½ million pounds.

The Rhodesia Tobacco Association is urging growers to hold the same acreage for harvest in 1958 as in 1957, but to aim at higher yields per acre. (In the past 3 seasons, yields averaged around 780 pounds per acre.)

In the first 8 months of 1957, tobacco exports from the Federation at 97 million pounds (about 85 percent of which was flue-cured) were 3 percent more than in the comparable period of 1956. Consignments to the United Kingdom, which accounted for more than three-fifths of the total, were up 5 percent. Other Commonwealth destinations together received 16 percent less, with the decline attributable to lower takings by the Union of South Africa. The following West European countries, taking quantities ranging from 435,000 to 3½ million pounds, received more than in the corresponding months of a year ago: West Germany, Belgium, Denmark, Norway, Portugal, France and Austria. Netherlands' takings of 4.7 million pounds about equaled those of a year earlier, but Sweden took less.

Canada's 1957 flue-cured crop is estimated at 154 million pounds, 5 million more than harvested in 1956. The 1957 flue-cured crop in Ontario (which produces around 95 percent of the Canadian crop) is being sold by an auction system. Previously, direct sales were made at the farm. Exports of unmanufactured tobacco (mostly flue-cured) in the first 7 months of 1957 were 32 million pounds, nearly 50 percent higher than a year earlier. The predominant share of Canada's tobacco exports goes to Britain, which took 57 percent more than in January-July 1956. Australia received about as much as a year earlier. Larger quantities went to Netherlands, West Germany, Belgium, and Portugal.

The 1956-57 crop of Indian flue-cured is estimated at 139 million pounds, the same as the record of the preceding year. Ranking outlets for Indian flue-cured in 1956 were the United Kingdom (the principal market), China, Indonesia, Aden, Japan, Netherlands, Belgium, France, Egypt and Hong Kong.

The 1957 production of tobacco in Turkey is estimated at 260 million pounds--3 percent larger than last year. In the major producing area, the crop is reportedly of poor quality because of adverse weather. During January-August 1957, Turkey's tobacco exports went mainly to the United States, East Germany, West Germany, Poland, Czechoslovakia, Italy and Egypt. Shipments to the United States, Poland and Egypt were well above those of a year ago.

Production of oriental tobacco in Greece in 1957 is now estimated at a record 227 million pounds--one-fourth more than harvested in 1956. About 10 percent of the crop, however, is considered of unmarketable quality and

Table 6.- United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports 1/			Stocks Dec. 31	Gross clearances from bond 3/			Exports of manufactured tobacco	Re-exports of unmanufactured tobacco
	From U. S. 2/	From Commonwealth countries 2/	Total		Nonpreferential 2/	Preferential 2/	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average									
1934-38	213	57	275	497	185	47	232	39	12
1939-45	182	63	255	310	215	62	277	27	5
1946	366	62	433	383	261	61	322	55	7
1947	201	82	296	384	235	57	292	52	1
1948	172	97	281	390	204	67	271	45	1
1949	154	119	302	419	190	81	271	47	2
1950	144	146	306	445	180	91	271	43	4
1951	212	131	355	498	183	104	287	51	7
1952	67	143	224	430	172	108	280	47	12
1953	174	127	316	452	167	116	283	45	9
1954	160	139	312	468	168	122	290	41	4
1955	179	149	344	507	173	125	298	44	4
1956 4/	160	147	318	522	173	127	300	45	3
Jan.-Oct.									
1954	106	113	229	5/409	6/123	6/91	6/214	34	3
1955	128	132	272	5/454	6/127	6/91	6/218	37	4
1956	118	116	243	5/471	6/126	6/92	6/218	36	2
1957	130	128	265	5/495	6/126	6/101	6/227	35	2

1/ Unmanufactured tobacco.
2/ Since 1946 the full duty rate on tobacco from the United States and other nonpreferential areas has been about 3 percent above the preferential rate on tobacco from Commonwealth areas. In the prewar period, the full duty rate was over 25 percent above the preferential rate.
3/ Largely withdrawals from manufactures for home use and export.
4/ Subject to revision.
5/ September 30.
6/ January-September.

Compiled from the Annual Statement of Trade and Accounts Relating to Trade and Navigation of the United Kingdom.

Table 7.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)

Classification and country of origin	Average 1934-38	Average 1950-54	1955	1956 1/	January-September 1956 1/	January-September 1957 1/	January-September 1957 as percentage of 1956
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Percent
Cigarette leaf							
Unstemmed:							
Turkey	18.2	53.8	57.7	61.5	46.7	46.8	100
Greece	18.8	13.3	17.9	18.9	14.0	17.3	124
Syria	.5	3.5	2.4	1.6	1.3	.8	62
Italy	4.7	1.2	1.5	1.8	1.4	1.2	86
Cyprus	.1	.2	.3	.5	.4	.3	75
Yugoslavia	0	1.0	3.5	2.9	2.9	2.7	93
Total 2/	44.4	76.4	83.7	87.9	66.3	70.0	106
Cigar leaf (filler)							
Cuba:							
Stemmed	7.1	10.2	8.8	9.2	7.2	6.8	94
Unstemmed	4.1	4.2	5.0	3.8	3.0	2.2	73
Philippines, Rep.:							
Stemmed	3/	.6	0	.4	4/	.2	---
Unstemmed	3/	.2	0	.5	.5	.0	---
Total 2/	11.3	15.2	13.8	13.9	10.7	9.3	87
Scrap:							
Cuba	2.9	7.6	9.4	11.3	8.6	9.0	105
Philippines, Rep.	3/3.2	1.0	2.4	5.6	3.8	3.9	103
Total 2/	6.1	8.6	11.8	17.0	12.5	12.9	103
Cigar wrapper (unst.)							
Indonesia	5/1.9	.7	.3	.1	.1	.1	100
Cuba	.2	.4	.5	.6	.5	.5	100
Total 2/	2.1	1.1	.8	.7	.6	.6	100
Stems: 6/							
Cuba	0	.1	.6	.8	.5	1.0	200
United Kingdom	1.7	.4	.5	.5	.4	.3	75
Total 2/	2.4	.6	1.1	1.4	.9	1.3	144
Total imports	66.3	101.9	111.2	120.9	91.0	94.1	103

1/ Preliminary.
2/ Includes relatively small quantities from other countries not separately listed.
3/ Reported as leaf in 1934-35 and as scrap in 1936-38.
4/ Less than 50,000 pounds.
5/ From Netherlands Indies or Netherlands.
6/ Not cut, ground, or pulverized.

Compiled from publications and records of the Bureau of the Census.

the marketable portion may be about equal to that of the 1955 crop. Exports in January-September 1957 jumped 75 percent above those in the comparable period of a year ago. Principal destinations were West Germany, United States, Soviet Union, Austria, Italy, Egypt, France, and Belgium, all of which received substantially more than in the first 9 months of 1956.

SOIL BANK PROGRAM

On November 21, announcement was made of the rates of payment, acreage reserve goals, and other provisions of the 1958 Acreage Reserve Program. The acreage reserve goal for the eligible tobacco types is 90,000 to 135,000 acres; the national average per-acre payments for the specified types are the same as in 1957. Farmers who participated in the 1957 acreage reserve will receive a 10 percent premium above the 1958 compensation rate established for their farms, if the same land as in 1957 is placed in the 1958 program. The signup period will be January 13-March 7, 1958, except that in the early tobacco area of Florida, signup prior to the opening date will be permitted.

Except for Connecticut Valley binder (types 51-52) and Virginia sun-cured (type 37), there will be no restriction on the maximum number of allotment acres growers can put under the 1958 acreage reserve, unless such a limitation becomes necessary to avoid exceeding available funds. For Connecticut Valley binder, a farm maximum of the larger of (1) 7 acres, or (2) 40 percent of the farm allotment has been established. Limitations for Virginia sun-cured will be the responsibility of the Virginia State Agricultural Stabilization and Conservation Committee.

Table 8.--1958 Soil Bank Program: Acreage reserve goals and approximate national rates per acre, by types

Types of tobacco	Acreage reserve goal	Approximate national average rate of payment per acre
	Acres	Dollars
Flue-cured (11-14)	50,000-70,000	255
Burley (31)	15,000-24,000	296
Maryland (32)	6,000- 9,000	148
Fire-cured (21)	1,000- 2,000	173
Fire-cured (22-23)	5,000-10,000	173
Dark air-cured (35-36)	2,300- 5,300	175
Virginia sun-cured (37)	700- 2,300	138
Cigar filler (42-44)	400- 600	145
Cigar binder (51)	3,700- 4,300	337
Cigar binder (52)	3,600- 4,000	345
Cigar binder (54)	400- 1,000	126
Cigar binder (55)	1,900- 2,500	167

Under the 1958 program, a Soil Bank "base" will be established for each participating farm. This will be the total crop acreage for the farm, based primarily on production history for 1956 and 1957. Total harvested acreage in 1958 must be reduced below this "base" by the number of acres placed in the Soil Bank. There will be a limit of $3,000 on the acreage reserve payments which can be made to the operator of any one farm.

In 1957, tobacco growers placed nearly 80,000 acres in the acreage reserve, equal to 7 percent of the total allotted acreage. Though producers of flue-cured put the largest acreage in the Soil Bank, growers of Connecticut Valley cigar binder (types 51-52) and growers of Virginia sun-cured (type 37) placed the largest proportions of allotted acreage in the reserve--three-fifths and more than two-fifths, respectively.

Table 9.--Tobacco grower participation in 1957 acreage reserve of the Soil Bank Program

Types	Number of agreements	Acreage placed in reserve	Reserve acreage as percentage of allotted acreage
	Number	Acres	Percent
Flue-cured (11-14)	25,900	45,577	6
Burley (31)	11,414	6,741	2
Maryland (32)	1,397	5,896	12
Va. fire-cured (21)	1,401	1,350	14
Ky.-Tenn. fire-cured (22-23)	3,682	5,113	
Dark air-cured (35-36)	2,988	1,674	10
Va. sun-cured (37)	1,560	2,237	42
Cigar filler (42-44)	132	381	8
Cigar binder (51)	875	4,094	60
Cigar binder (52)	1,129	3,794	
Cigar binder (54)	242	661	16
Cigar binder (55)	1,108	2,183	
All types	51,828	79,701	7

OUTLOOK AND SITUATION FOR TOBACCO LEAF
Flue-Cured, Types 11-14

1958 Acreage Allotment

A 1958 national flue-cured tobacco allotment of 713,468 acres was announced on November 25. This is only slightly more than the 712,600 acres allotted in 1957, and in most cases individual farm allotments in 1958 will be the same as in 1957. The variety discount program in effect for the 1957 crop will be continued, and prices for the 1958 crop of flue-cured tobacco

varieties Coker 139, Coker 140, and Dixie Bright 244 will be supported at one-half the support rates for comparable grades of other varieties. The specified varieties are considered low to lacking in flavor and aroma and are generally of light body.

Prices

The 1958 flue-cured crop will be supported at 90 percent of parity. The base price for calculating the 1958 flue-cured parity will be higher than that used to determine the 1957 parity. If the parity index remains near the current level, the 1958 support price will be about 5 percent higher than the 50.8 cents in effect for the 1957 season.

Auction sales of the 1957 crop began July 18 and were completed by December 13. The season average price for gross sales (which include resales) was 55.0 cents per pound, up 7 percent from 1956, and just topping the previous record price of 1950. In the Georgia-Florida Belt (type 14) and Border Belt (13), increases over 1956 prices for representative medium- and heavy-bodied grades generally exceeded those for the thin grades. In the other belts, however, increases in prices for representative medium grades generally were smaller than occurred in the lower belts, while prices for heavy grades showed little or no change from a year earlier.

In the Georgia-Florida Belt, volume of marketings was down more than a third. Prices averaged one-sixth more than in 1956, and above any previous season.

In the Border Belt, where the sales season extended from July 30 to September 26, volume was approximately one-fourth less than in 1956. Prices averaged about one-tenth higher, and were at record levels.

In the Eastern Belt, markets opened on August 15 and closed on November 8. The volume of sales was 30 percent smaller than in the preceding year, while the average price was up by 5 percent.

In the Middle Belt, where markets were open from August 29 to November 27, sales volume was 31 percent smaller than in 1956. The season average price was 2 percent more than in 1956.

In the Old Belt, auctions started September 10 and marketings were completed by December 13. Volume sold was nearly 30 percent less than in 1956; the average price was 5 percent higher.

The quantity of flue-cured tobacco placed under Government loan in the 1957 season totaled nearly 108 million pounds, about 11 percent of the crop. In the preceding season, loan receipts amounted to a record 320 million pounds, 22 percent of the crop. The 1957 loan receipts represent the smallest quantity placed under loan since the 1950 season, though the crop percentage is a little higher than that in each of the 1951 and 1954 seasons.

Table 10.- Flue-cured tobacco: Average price per pound and percentage comparisons by Belt, 1947-57

Marketing season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. type 12	Border Belt type 13	Ga.-Fla. type 14	All Belts
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
1947	38.1	42.2	43.0	41.9	37.8	41.1
1948	49.2	50.1	49.3	50.5	47.2	49.4
1949	45.5	47.7	48.8	48.9	40.1	46.9
1950	53.4	56.2	56.5	55.4	48.1	54.6
1951	50.4	53.8	55.1	51.9	46.3	52.2
1952	48.4	49.4	50.5	51.9	49.2	50.1
1953	42.0	47.0	57.1	56.7	51.1	52.5
1954	52.0	52.3	54.7	51.3	46.5	52.1
1955	53.8	52.4	52.3	53.7	46.5	52.2
1956	49.9	51.9	51.5	53.2	48.0	51.1
1957 1/	52.3	53.0	54.3	59.1	55.9	55.0
	Price for each type as percentage of price for all types combined					
	Percent	Percent	Percent	Percent	Percent	Percent
1947	92.7	102.7	104.6	101.9	92.0	100.0
1948	99.6	101.4	99.8	102.2	95.5	100.0
1949	97.0	101.7	104.1	104.3	85.5	100.0
1950	97.8	102.9	103.5	101.5	88.1	100.0
1951	96.6	103.1	105.6	99.4	88.7	100.0
1952	96.6	98.6	100.8	103.6	98.2	100.0
1953	80.0	89.5	108.8	108.0	97.3	100.0
1954	99.8	100.4	105.0	98.3	89.3	100.0
1955	103.1	100.4	100.2	102.9	89.1	100.0
1956	97.7	101.6	100.8	104.1	93.9	100.0
1957 1/	95.1	96.4	98.7	107.5	101.6	100.0

1/ Preliminary.

Table 11.- Flue-cured tobacco: Volume of gross sales (includes resales) and percentage distribution by belt, 1947-57

Marketing season	Old Belt type 11 (a)	Middle Belt type 11(b)	Eastern N. C. type 12	Border Belt type 13	Ga.-Fla. type 14	All belts
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	278	176	483	299	171	1,407
1948	256	157	392	258	134	1,197
1949	243	137	406	283	155	1,224
1950	315	171	448	302	142	1,378
1951	312	187	527	357	192	1,575
1952	328	177	488	333	180	1,506
1953	254	138	480	348	192	1,412
1954	288	161	522	309	188	1,468
1955	311	170	528	371	213	1,593
1956	333	179	508	333	183	1,536
1957 1/	235	124	353	254	120	1,086
	Percentage of total					
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1947	19.8	12.5	34.3	21.2	12.2	100.0
1948	21.4	13.1	32.7	21.6	11.2	100.0
1949	19.8	11.2	33.2	23.1	12.7	100.0
1950	22.9	12.4	32.5	21.9	10.3	100.0
1951	19.8	11.9	33.4	22.7	12.2	100.0
1952	21.8	11.8	32.4	22.1	11.9	100.0
1953	18.0	9.8	34.0	24.6	13.6	100.0
1954	19.6	11.0	35.6	21.0	12.8	100.0
1955	19.5	10.7	33.1	23.3	13.4	100.0
1956	21.7	11.6	33.1	21.7	11.9	100.0
1957 1/	21.6	11.4	32.5	23.4	11.1	100.0

1/ Preliminary.

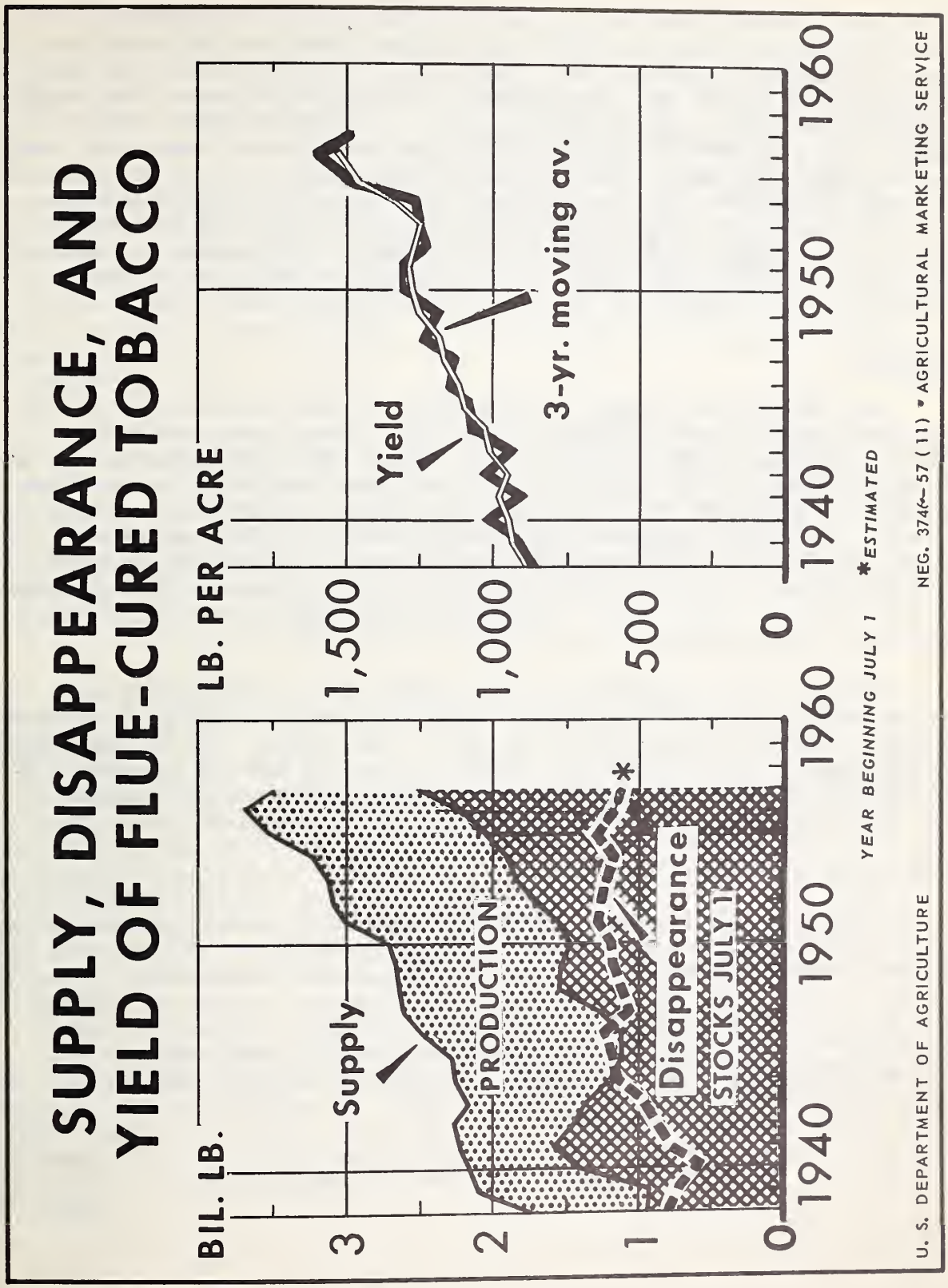
Table 12.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, July 1	Supply	Disappearance 1/ Total	Disappearance 1/ Domestic	Disappearance 1/ Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	741	845	1,586	704	338	366	22.9
1941-45	902	1,349	2,251	992	617	375	38.5
1946	1,352	1,147	2,499	1,212	659	553	48.3
1947	1,317	1,287	2,604	1,054	695	359	41.2
1948	1,090	1,550	2,640	1,102	720	382	49.6
1949	1,115	1,538	2,653	1,168	729	439	47.2
1950	1,257	1,485	2,742	1,185	757	428	54.7
1951	1,453	1,557	3,010	1,279	777	502	52.4
1952	1,365	1,731	3,096	1,244	828	416	50.3
1953	1,272	1,852	3,124	1,209	778	431	52.8
1954	1,314	1,915	3,229	1,173	744	429	52.7
1955	1,483	2,056	3,539	1,281	728	553	52.7
1956	1,423	2,258	3,681	1,170	705	465	51.5
1957	984	2,511	3,495				*55.0

	Parity price 3/	Price support level	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop	Remaining in Government loan stocks on Nov. 30, 1957 4/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	35.7	32.1	66.5	4.9	0
1947	44.4	40.0	232.3	17.6	0
1948	48.8	43.9	106.1	9.7	0
1949	47.2	42.5	103.5	9.3	0
1950	50.0	45.0	77.6	6.2	0
1951	56.3	50.7	142.2	9.8	0
1952	56.2	50.6	5/165.0	12.1	0
1953	53.2	47.9	151.4	11.9	0
1954	53.2	47.9	130.3	9.9	39.3
1955	53.7	48.3	298.9	20.2	246.7
1956	54.3	48.9	319.9	22.5	271.4
1957	56.5	50.8	107.6	10.9	6/ 107.6
Total	---	---	1,901.3	---	6/ 665.0

1/ Year beginning July 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. 5/ An additional 78.4 million pounds under option to British manufacturers were pledged for CCC loans, but were purchased and shipped by mid-1953. 6/ Includes 10 million pounds that went under loan since November 30 report. *Auction average


SUPPLY, DISAPPEARANCE, AND
YIELD OF FLUE-CURED TOBACCO
BIL. LB.
3
2
1
0
Supply
PRODUCTION
Disappearance
STOCKS JULY 1
*
1940
1950
1960
LB. PER ACRE
1,500
1,000
500
0
Yield
3-yr. moving av.
1940
1950
1960
YEAR BEGINNING JULY 1
*ESTIMATED
U. S. DEPARTMENT OF AGRICULTURE
NEG. 3746-57 (11) • AGRICULTURAL MARKETING SERVICE

The volume of loan receipts in all producing belts was sharply lower than in 1956 except in the Old Belt, where placements were moderately less. There were marked differences among belts in the proportions of 1957 market offerings going under loan, the largest percentages occurring in the Middle and Old Belts. In the Georgia-Florida Belt, a little more than 1 million pounds--only 1 percent of estimated producers' sales--were taken under loan. In the Border Belt, nearly 9 million pounds were placed under loan, equal to 4 percent of estimated producers' sales. In the Eastern Belt, placements under loan amounted to about 21½ million pounds--7 percent of producers' sales. In the Middle Belt, about 18 million pounds, 16 percent of producers' sales, were received under loan. In the Old Belt, 58 million pounds--more than one-fourth of producers' sales--were placed under loan.

Supplies

The 1957-58 total supply of flue-cured is 3,495 million pounds, down 5 percent from the record supplies of 1956-57. Though this year's crop of 984 million pounds is 31 percent smaller, July 1, 1957 carryover was more than 250 million pounds or 11 percent larger than a year earlier. The reduction in this year's crop to the lowest since 1943 was occasioned both by a smaller acreage and a drop in yields from the high average of 1956. Harvested acreage in 1957 was nearly one-fourth smaller than in 1956. Yields averaged 1,485 pounds per acre, 140 pounds less than in 1956, though still higher than any previous year except 1955. The 1957-58 total supply is about 3.1 times prospective disappearance; a more normal ratio is 2.5.

Carryover of flue-cured on July 1, 1958 will be reduced from year-earlier levels, and may total about 2,360 million pounds. The 1958 allotted acreage is practically the same as in 1957. Some acreage will be placed in the Soil Bank. If participation in 1958 is about the same as the past year and the crop approximates 1 billion pounds, 1958-59 total supplies--production plus carryover--may be 4 percent smaller than in 1957-58.

Domestic Use and Exports

Most of the domestically consumed flue-cured is used in the manufacture of cigarettes. In the past 2 seasons, domestic use of flue-cured has declined despite an increase in the number of cigarettes produced. In the current marketing year (July 1957-June 1958), domestic use may be slightly less than the 705 million pounds consumed in 1956-57. Although more cigarettes may be produced in 1957-58 than a year earlier, leaf usage probably will not show a proportionate change. (The reasons are discussed on pages 7-8.)

Exports of flue-cured in the first third of the 1957-58 marketing year (July-October 1957) totaled 220 million pounds (farm-sales weight), 7½ percent more than in the comparable period of 1956. The United Kingdom, the principal destination, took 21 percent more than a year ago. Exports to Germany, next leading importer, were 12 percent greater. Among other ranking outlets, Australia increased takings by 54 percent; Netherlands, 17 percent; and Denmark, 36 percent. But Sweden, Belgium, and Ireland received 4 percent, 21 percent, and 32 percent less, respectively, than a year earlier. There was a considerable increase to Thailand, while France, which received no flue-cured in July-October 1956, took about 2 million pounds. Smaller exports than a year earlier went to Indonesia, New Zealand, Egypt and Norway. Japan was reported as taking no flue-cured in July-October 1957 compared with takings of 3½ million pounds a year earlier. Also, much less went to Italy, Finland, Pakistan, Hong Kong, and Vietnam, Laos, and Cambodia, but Swiss takings were up appreciably.

The volume exported during the first third of this marketing year probably represents more than usual of the marketing year's total and reflects the active buying by export purchasers in the first half of the auction season. Exports in the remaining period of the marketing year seems likely to be less than a year earlier; the total may be 5 percent or more below the 465 million pounds shipped in 1955-56. The 1957 crop is the smallest in many years, and prices of some grades desired for export have averaged significantly higher than last year.

Burley, Type 31

Prices

Burley auction markets began November 25 and prices through December 18 for gross sales (includes resales) averaged 61.8 cents per pound compared with 63.4 cents in the similar period of a year ago. Approximately 85 percent of the crop had been sold by mid-December. Since 1954 burley marketings have been four-fifths completed by the holiday shutdown at the auctions. In previous postwar years, about 55 to 65 percent was marketed before the holidays; back in the late 1930's, about 55 to 65 percent was sold following the holidays. Markets are closed for the holiday period from December 20 to January 6.

In the approximately 60 burley auction centers, the price averages for individual markets this season (through the forepart of December) mostly ranged from 58 to 64 cents per pound. In the 1956 season, the range by markets was from 57 to 65, and in the 1955 season, mostly from 54 to 61 cents per pound. In the 1954 season when the biggest crop ever produced was marketed, the price averages for individual markets ranged from 39 to 54 cents per pound.

Numerous leaf and tip grade prices were a little below last season's unusual highs while many lugs and flyings grade prices were up a little compared with 1956. Price spreads among grades have greatly narrowed in the last 2 or 3 years. For example, differences between the price of burley in C3F grade (for many years one of the top cigarette grades) and prices of selected other grades have greatly diminished as illustrated below:

	1953	1954	1955	1956	1957 through mid-December
	Cents per pound				
Price of C3F	67	65	65	66	68
Price differences-- Price of C3F minus the price of:					
X4F	2	3	3	1	1
B3F	7	9	4	0	2
X4R	11	13	7	3	3
C5R	13	15	7	2	4
B4R	29	32	12	1	8
T4R	37	37	16	2	11
N1G	53	50	30	14	22

The Government support level for 1957 burley is 51.7 cents per pound--7½ percent higher than for the 1956 crop and above any previous support level. Receipts for Government loan through mid-December totaled about 4½ million pounds or about 1¼ percent of gross sales. Both this season and last, burley tobacco placed under Government loan has been far less than in any year of the previous decade.

The 1958 crop of burley will be supported at 90 percent of parity. Assuming the recent level of the parity index and the probable adjusted base price for computing the 1958 burley parity, the support level for the 1958 crop will be higher than for the 1957 crop.

Supplies

The 1957-58 total supply of burley tobacco is 1,789 million pounds--1 percent lower than for 1956-57 and 4 percent below the peak level of 3 years ago. The 1957 crop, 490 million pounds, is 3 percent smaller than last year's and the third smallest in 15 years. Yields per acre averaged the second highest on record, only 2 percent below last year's high. Carryover of burley on October 1 was only slightly below a year earlier. Total supply is about 3.5 times probable disappearance. The high for this ratio was 3.6 during 1954-55 while for several years prior to that, it ranged from 2.7 to 3.3.

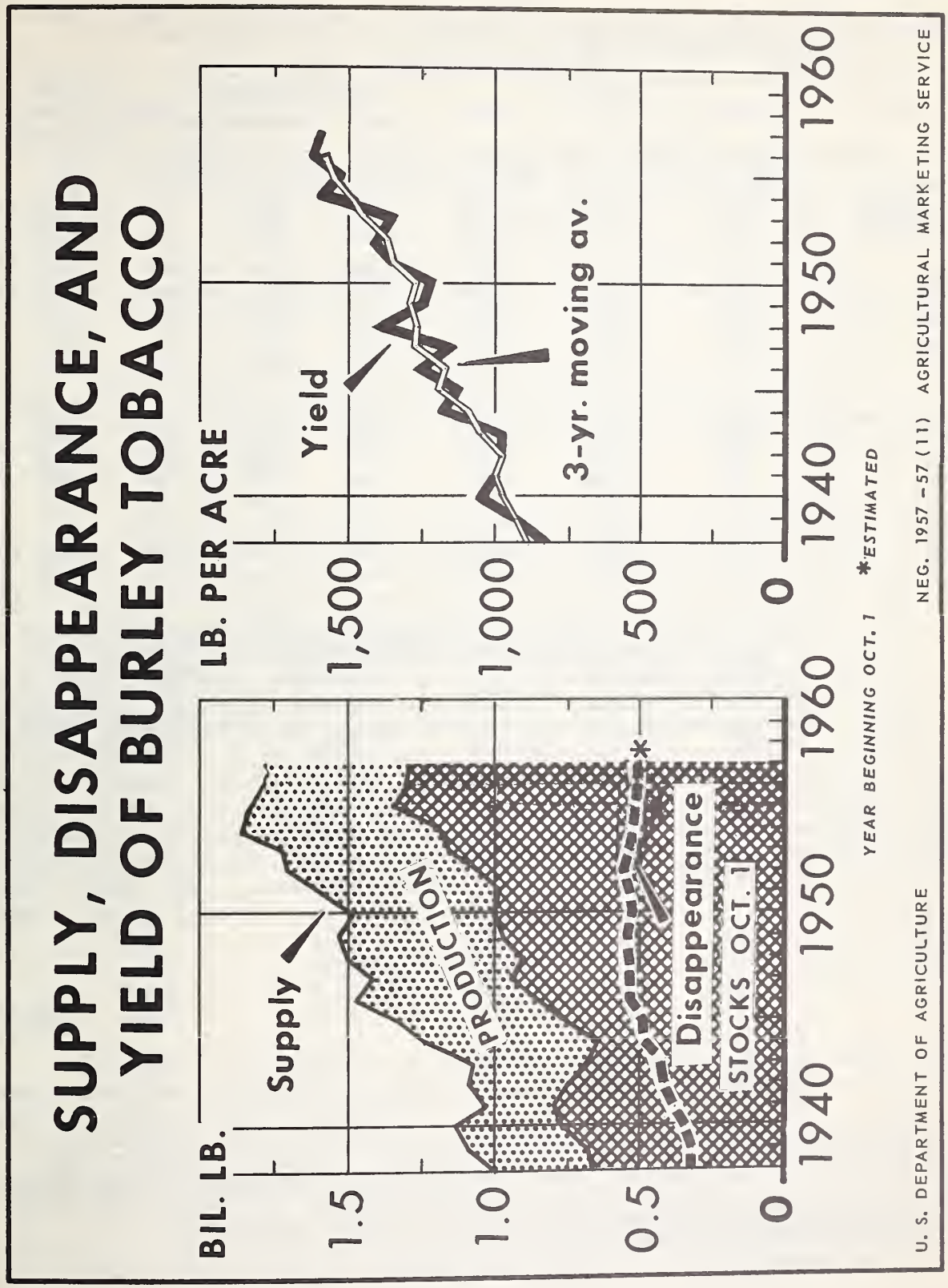

SUPPLY, DISAPPEARANCE, AND YIELD OF BURLEY TOBACCO
BIL. LB.
1.5
1.0
0.5
0
Supply
PRODUCTION
Disappearance
STOCKS OCT. 1
*
1940
1950
1960
YEAR BEGINNING OCT. 1
*ESTIMATED
LB. PER ACRE
1,500
1,000
500
0
Yield
3-yr. moving av.
1940
1950
1960
U. S. DEPARTMENT OF AGRICULTURE
NEG. 1957-57 (11) AGRICULTURAL MARKETING SERVICE

Table 13.--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/ Total	Disappearance 1/ Domestic	Disappearance 1/ Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	287	701	988	314	302	12	22.2
1941-45	448	730	1,178	437	424	13	40.0
1946	614	853	1,467	526	476	50	39.7
1947	485	941	1,426	524	496	28	48.5
1948	603	902	1,505	531	489	42	46.0
1949	561	974	1,535	535	494	41	45.2
1950	499	1,000	1,499	518	488	30	49.0
1951	618	981	1,599	538	506	32	51.2
1952	650	1,061	1,711	548	519	29	50.3
1953	564	1,163	1,727	529	494	35	52.5
1954	668	1,198	1,866	519	486	33	49.8
1955	470	1,347	1,817	516	482	34	58.6
1956	506	1,301	1,807	508	480	28	63.6
1957	490	1,299	1,789				*61.8

Year	Parity price 3/	Price support level	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop	Remaining in Government loan stocks on Nov. 30, 1957 4/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	37.3	33.6	147.8	24.1	0
1947	44.8	40.3	37.7	7.8	0
1948	47.1	42.4	96.7	16.0	0
1949	44.8	40.3	39.1	7.0	0
1950	50.8	45.7	44.2	8.9	0
1951	55.3	49.8	97.3	15.7	3.1
1952	55.0	49.5	103.9	16.0	4.1
1953	51.8	46.6	102.1	17.9	42.2
1954	51.5	46.4	221.4	33.2	147.0
1955	51.3	46.2	73.1	15.6	72.6
1956	53.4	48.1	6.0	1.2	5.7
1957	57.4	51.7	5/	5/	5/
Total	---	---	969.3	---	274.7

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. 5/ Through mid-December about $4\frac{1}{2}$ million pounds--$1\frac{1}{4}$ percent of gross sales, placed under loan.

*Auction price through December 18.

The 1958 burley marketing quota and acreage allotment will be announced by February 1. The Soil Bank Program will be available for the 1958 crop.

Domestic Use and Exports

During the current marketing year (October 1957-September 1958), domestic use of burley probably will be near the 480 million pounds used during 1956-57. Cigarettes are the main domestic outlet for burley, but pipe smoking and chewing tobacco take sizable amounts. Cigarette output is not expected to change sharply from the 1956-57 level; there may be little difference in output of pipe smoking tobacco, but chewing tobacco output will probably continue its long-term downtrend.

Exports of burley during 1956-57 at 28 million pounds (farm-sales weight) dropped 5 to 6 million pounds below the level of the previous 3 years. Little, if any, upturn is expected in 1957-58. The substantial increase in prices of certain grades in the last 2 or 3 years has tended to reduce exports to some foreign markets.

As usual for recent years, West Germany was the leading foreign outlet for burley in 1956-57. German takings in 1956-57 were one-third larger than in 1955-56 and the second largest on record. On the other hand, 1956-57 burley shipments to Portugal and Belgium, usually the second or third ranking foreign outlets for burley, dropped 71 and 76 percent, respectively, below their 1955-56 levels. Burley exports to Portugal were the smallest for many years and to Belgium, the lowest for any peacetime year on record. In the recent year, Sweden was the second ranking destination for burley, taking a record quantity and up more than a third from 1955-56. Among other leading outlets, Mexico took 14 percent more but Egypt and Norway each took about one-fourth less than in 1955-56. Other countries showing marked decreases in burley takings were Netherlands, Italy, Finland, Austria and Philippine Republic. Increased amounts went to Denmark, Switzerland and Hong Kong; French takings gained from the low 1955-56 level but remained well below most other recent years. Uruguay and Trinidad took appreciably more in 1956-57 than a year earlier.

Maryland, Type 32 2/

Prices

The 1957 Maryland crop will go to auctions next spring and summer. Auction markets usually open by early May. The Baltimore hogshead market is also operated for Maryland tobacco.

2/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--the 12-month period, October 1 through September 30. Disappearance is calculated on the October-September basis.

Table 14.--Maryland tobacco, type 32: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks following Jan. 1 1/	Supply	Disappearance 2/ Total	Domestic	Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	27.5	38.4	65.9	26.5	21.1	5.4	19.7
1941-45	29.4	44.1	71.5	29.7	27.1	2.6	48.9
1946	46.2	32.4	78.6	34.0	28.3	5.7	44.5
1947	37.8	44.9	32.7	34.3	27.0	7.3	42.8
1948	35.0	46.9	81.9	37.0	27.7	9.3	54.4
1949	41.2	45.5	86.7	35.4	28.0	7.4	48.3
1950	40.0	53.4	93.4	35.5	27.1	8.4	48.2
1951	41.6	59.3	100.9	33.3	26.7	6.6	44.8
1952	40.2	64.9	105.1	40.3	32.5	7.8	48.8
1953	40.5	65.4	105.9	36.4	28.4	8.0	54.5
1954	43.8	68.6	112.4	36.1	27.9	8.2	40.3
1955	31.5	77.5	109.0	38.6	25.7	12.9	50.8
1956	37.1	69.7	106.8	35.5	22.0	13.5	51.6
1957	31.4	71.0	102.4				

	Parity price 4/	Price support level	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks on November 30, 1957 5/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	30.0	27.0	0	---	0
1947	36.2	32.6	0	---	0
1948	48.8	43.9	3.0	8.6	.5
1949	46.5	41.8	2.6	6.3	.2
1950	56.5	48.6	5.5	13.8	.7
1951	60.6	Price supports not in effect 6/			
1952	58.5	..... do.			
1953	56.0	50.4	6.7	18.1	4.5
1954	53.5	Price supports not in effect 6/			
1955	53.1	..... do.			
1956	52.2	47.0	3.3	8.6	3.0
1957	53.3	48.0	To be marketed mostly next spring and summer		
Total	---	---	21.1	---	8.9

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30. 2/ Year beginning October 1. 3/ Subject to revision. 4/ As of applicable date when support level was computed or October 1. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ No support since marketing quota was not approved by two-thirds of growers voting.

The 1957 crop support level is 48.0 cents per pound, 1 cent higher than last season's. The 1956 crop averaged 51.6 cents per pound, 1 1/2 percent above 1955. During the 1956 crop marketing season, about a tenth of the deliveries were placed under Government loan.

The 1958 crop of Maryland tobacco will be supported at 90 percent of the applicable parity price.

Supplies

The 1957 crop of Maryland is estimated at nearly 31 1/2 million pounds--15 percent smaller than for 1956 and the smallest crop in 12 years. Acreage was reduced 15 percent from 1956 and was below any year since 1945. This year's crop when added to the estimated carryover of about 71 million pounds on January 1, 1958 provides a total supply of about 102 million pounds. This is 4 percent below a year ago and 9 percent below the peak level of 3 years ago.

The 1958 crop will be under a marketing quota and the acreage allotment will be announced by February 1. The Soil Bank Program is available for 1958.

Domestic Use and Exports

Domestic use of Maryland tobacco during October 1956-September 1957 was about 22 million pounds--about 3 3/4 million lower than 1955-56 and the least in many years. Maryland tobacco is primarily cigarette tobacco and apparently has shared in the reduction that has occurred in the use of other cigarette types. Some Maryland tobacco is used in cigars, but this tends to fluctuate according to the availability of certain grades from year to year.

Exports of Maryland tobacco during the year ended September 30 totaled 13 1/2 million pounds (farm-sales weight), nearly 5 percent above the high level of 1955-56 and the most since the late 1920's. Switzerland took a half of the total Maryland tobacco exported, but this was 14 percent less than in 1955-56. Germany, the second ranking outlet, took 41 percent more in 1956-57 than a year earlier and the largest amount in history. Portugal, a new outlet for Maryland tobacco, took a million pounds. Other countries that increased their takings of Maryland tobacco in the past year were Netherlands, Spain, France, and Tunisia. Shipments to Belgium were down moderately from their 1955-56 level.

Fire-cured, Types 21-23

Prices

Auction sales of Virginia fire-cured tobacco (type 21) began December 2. Through December 18, prices averaged 39.3 cents a pound, compared with 40.0 cents in the corresponding period of 1956, when sales started one week earlier. A somewhat larger proportion of the 1957 crop falls in the better

quality grades, but the increase is in the shorter lengths of these grades. Shorter lengths sell at a lower price than longer lengths of a grade. About a tenth of gross sales was placed under Government loan, compared with 8 percent in the corresponding period last year. Markets are closed from December 20 to January 6. Auction markets for Kentucky and Tennessee fire-cured type 23 will open on January 8 and for type 22, on January 9.

The support price for 1957 fire-cured is 38.8 cents a pound--2.7 cents higher than in 1956. The support level for fire-cured is computed at 75 percent of the burley support level, which is 90 percent of burley parity. Beginning with the 1958 crop, however, separate support prices will be established for 1958 Virginia fire-cured type 21 and Kentucky-Tennessee fire-cured types 22-23, which by law may not exceed the higher of (1) the 1957 support level, or (2) 90 percent of parity for the respective kind. The 1957 support level for the fire-cured types is equal to 100 percent of parity as of October 1 (the start of the marketing year), and 99 percent of the November parity. Judging from the probable 10-year average price used for parity calculation and the recent position of the parity index, it is likely that the 1958 support prices for Virginia fire-cured and Kentucky-Tennessee fire-cured will be at 1957 levels.

Supplies

Total supplies of fire-cured tobacco in the 1957-58 market year, 201 million pounds, are 4 percent less than in the preceding year. Though the crop of 55 million pounds is more than a fifth smaller than in 1956, stocks at the start of the season were 6 percent larger than a year earlier. Harvested acreage was down 21 percent; average yield nearly equalled the record high of 1956.

Supplies of Virginia fire-cured are 5 percent less than in 1956-57, with a small increase in stocks not enough to compensate for the reduced crop. Combined supplies of Kentucky-Tennessee fire-cured also are lower, attributable to smaller supplies of Western District. A larger carryover of Eastern District fire-cured offsets a smaller crop of that type.

The current season's total supply is equal to about 3 1/4 times yearly disappearance; a more normal relationship would be 2-1/3 times disappearance. Government loan stocks of fire-cured tobacco are relatively large, with holdings from the 1956 crop comprising about two-fifths of the total.

Separate 1958 marketing quotas and acreage allotments for Virginia fire-cured (type 21) and for Kentucky-Tennessee fire-cured (types 22-23) will be announced by the Secretary of Agriculture by February 1, 1958. A referendum will be held within 30 days following the announcement, in which growers of the three types will vote on whether they favor marketing quotas for the 1958, 1959, and 1960 crops. The Soil Bank program will be available for the 1958 crop. (See page 17).

Table 15.--Fire-cured tobacco, types 21-23 1/: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 2/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	110.2	194.2	304.4	123.0	53.2	69.8	10.2
1941-45	66.1	170.7	236.8	81.9	49.6	38.3	22.1
1946	108.9	105.1	214.0	70.6	36.2	34.4	26.0
1947	86.4	143.4	229.8	67.2	36.9	30.3	29.5
1948	73.2	162.6	235.8	77.9	34.7	43.2	31.9
1949	72.2	157.9	230.1	65.2	36.5	28.7	29.8
1950	58.3	164.9	223.2	76.0	36.7	39.3	31.2
1951	59.5	147.2	206.7	59.8	32.2	27.6	40.0
1952	58.2	146.9	205.1	58.8	29.6	29.2	37.6
1953	48.9	146.3	195.2	61.2	32.9	28.3	33.8
1954	62.2	134.0	196.2	59.1	29.9	29.2	37.8
1955	65.2	137.1	202.3	64.6	31.1	33.5	37.3
1956	70.6	137.7	208.3	62.6	30.3	32.3	36.6
1957	55.1	145.6	200.7				

	Parity price 4/	Price support level 5/	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop	Remaining in Government loan stocks on November 30, 1957 6/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	17.8	25.2	40.8	37.5	0
1947	21.5	30.2	31.3	36.2	0
1948	22.6	31.8	27.3	37.3	neg.
1949	21.5	30.2	18.7	25.9	.1
1950	30.3	34.3	12.2	20.9	.9
1951	33.6	37.4	7.5	12.6	3.7
1952	34.8	37.1	10.9	18.7	5.1
1953	34.4	35.0	8.2	16.8	3.3
1954	34.8	34.8	6.9	11.1	4.5
1955	35.8	34.6	9.7	14.9	7.8
1956	36.2	36.1	20.2	28.6	18.5
1957	38.8	38.8	7/	7/	7/
Total	---	---	193.7	---	43.9

1/ Type 24 included until early 1950's when it became practically nonexistent. 2/ Year beginning October 1. 3/ Subject to revision. 4/ As of applicable date when support level was computed. 5/ Not based on parity but set by law at 75 percent of the burley support. 6/ Actual loan stocks on a packed-weight basis average about 6 percent less than these farm-sales weight figures. 7/ Through mid-December, about 9 percent of gross sales of Virginia fire-cured went under loan.

Domestic Use and Exports

In the current marketing year (October 1957-September 1958), disappearance of fire-cured is expected to be near last season's total of 63 million pounds. The principal domestic outlet for fire-cured is snuff, production of which normally is fairly stable.

Exports usually make up around half of total disappearance of fire-cured. In the year ending September 30, exports of fire-cured were nearly 30½ million pounds (farm-sales weight)--one-tenth less than in 1955-56. Exports both of Kentucky-Tennessee fire-cured, which comprised four-fifths of the total, and of Virginia fire-cured, which comprised one-fifth, were smaller than a year earlier. Principal countries of destination for Kentucky-Tennessee fire-cured were in the main the same as in 1955-56. Netherlands, the top ranking importer, took nearly one-third more, but France, the next leading outlet, received about 30 percent less. Exports to Italy were less than half of those a year earlier, when much of the sales were under the P. L. 480 program. Vietnam, Laos and Cambodia received about a fourth more than in 1955-56, while exports to Belgium were practically the same. Switzerland and Sweden took about one-half and one-fourth less, respectively. Egypt received 1.4 million pounds (farm-sales weight), compared with 174,000 pounds a year earlier.

Nearly one-third of total Virginia fire-cured exports went to Norway, which took 15 percent less than in 1955-56. Larger quantities went to Austria, United Kingdom and Germany. Countries taking less than a year earlier were Netherlands, Sweden and Switzerland.

Dark Air-Cured and Sun-Cured, Types 35-37

Prices

Auction markets for dark air-cured type 35 (One Sucker) opened on varying dates during the first third of December. For sales through December 18, sales averaged 36.1 cents per pound, compared with 34.8 cents in the corresponding weeks a year ago. The auction markets for dark air-cured type 36 (Green River) and Virginia sun-cured type 37 opened on December 10. Average prices for the first few days of sales for type 36 were 34.9 cents and for type 37, 34.4 cents. Compared with a year earlier, this is an increase of nearly one-sixth for Green River but a small decline for Virginia sun-cured.

The support price for 1957 dark air- and sun-cured tobacco is 34.5 cents per pound--2.4 cents higher than in 1956. The support price for these kinds is calculated at 66-2/3 percent of the burley support level, which is 90 percent of burley parity. Beginning with the 1958 crop, however, support prices for dark air- and sun-cured tobacco by law may not exceed the higher of (1) the 1957 support level, or (2) 90 percent of parity for the respective kind. The 1957 support level for dark air-cured (types 35-36) is equal to 104 percent of parity as of October 1 (the start of the marketing year) and 103 percent of the November parity. The 1957 support level for Virginia sun-cured type 37 is

equal to 97 percent of parity as of October 1 and 96 percent of the November parity. On the basis of the probable adjusted base prices and the recent position of the parity index, it is likely that the support prices for 1958 dark air- and sun-cured tobacco will be at 1957 levels.

Through mid-December about a sixth of auction market offerings of One Sucker and a tenth of those of Green River were placed under Government loan. In the similar period a year ago, 18½ and 28 percent of auction sales of One Sucker and Green River went under Government loan. As in the previous season, loan receipts of Virginia sun-cured were negligible.

Supplies

The 1957-58 total supply of dark air- and sun-cured is 109 million pounds--9 percent less than the relatively large supplies of a year earlier. Carryover stocks of 83 million pounds, while down 2½ million from October 1, 1956 holdings, were still substantially higher than in most postwar years. The 1957 crop of dark air- and sun-cured totaled about 26 million pounds--nearly a fourth less than in 1956 and one of the smallest ever harvested. The reductions were proportionately largest in One Sucker and Green River, down by 20 percent and 31 percent, respectively. The Virginia sun-cured crop is 11 percent less than in 1956. Average yields per acre for the types 35-36 were below the record highs of last year, but substantially exceeded those obtained in other years. Average yields for Virginia sun-cured were the most favorable in 5 seasons.

The 1957-58 supply of dark air- and sun-cured tobacco is approximately 3½ times prospective disappearance; a more desirable relationship is about 2-2/3 times disappearance. Though all 1950 and prior crop tobacco in Government loan stocks have been sold, loan holdings of later crops are large.

Marketing quotas and acreage allotments for 1958 dark air-cured and Virginia sun-cured tobacco will be announced by February 1, 1958. In a referendum to be held within 30 days following the announcement for dark air-cured, types 35-36, growers of these types will vote on whether they favor marketing quotas for their 1958, 1959, and 1960 crops. Growers of Virginia sun-cured, type 37, approved quotas on their 1956, 1957, and 1958 crops in a 1955 referendum. The Soil Bank program will be available for the 1958 crop. (See page 17.)

Domestic Use and Exports

In the current marketing year (October 1957-September 1958), disappearance of types 35-37 may be moderately below the 36½ million pounds entering domestic and export channels in 1956-57. Last season's disappearance was exceeded or nearly equaled in only 3 of the preceding 10 marketing years. The 1956-57 domestic use of 25-1/3 million pounds was nearly a fourth larger, despite a decline in manufacture of chewing tobacco, principal domestic outlet

Table 16.--Dark air-cured and sun-cured tobacco, types 35-37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/ Total	Disappearance 1/ Domestic	Disappearance 1/ Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	35.5	62.8	98.3	39.0	27.0	12.0	9.4
1941-45	37.0	64.4	101.4	39.8	33.9	5.9	20.6
1946	49.6	60.4	110.0	37.3	29.7	7.6	22.5
1947	37.2	72.7	109.9	32.7	26.3	6.4	25.8
1948	34.8	77.2	112.0	37.5	22.7	14.8	28.7
1949	36.2	74.5	110.7	29.9	23.1	6.8	28.2
1950	28.6	80.8	109.4	36.4	25.6	10.8	24.6
1951	31.7	73.0	104.7	30.1	21.5	8.6	34.3
1952	33.8	74.6	108.4	29.3	22.7	6.6	31.6
1953	26.6	79.1	105.7	29.9	22.8	7.1	25.9
1954	34.1	75.8	109.9	29.1	19.0	10.1	34.1
1955	31.1	80.8	111.9	26.5	20.5	6.0	31.1
1956	33.9	85.4	119.3	36.5	25.3	11.2	34.1
1957	26.2	82.8	109.0				

	Parity price 3/ Types 35-36	Parity price 3/ Type 37	Price support level 4/	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop	Remaining in Government loan stocks on November 30, 1957 5/
	Ct.	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	14.3	19.1	22.4	15.7	31.7	0
1947	17.2	23.1	26.9	14.5	39.0	0
1948	18.1	24.2	28.3	8.9	25.6	0
1949	17.2	23.1	26.9	4.0	11.0	0
1950	27.2	34.2	30.5	4.1	14.3	0
1951	29.6	37.5	33.2	7.4	23.3	4.3
1952	30.5	37.7	33.0	6/9.9	29.3	6.0
1953	30.2	35.6	31.1	7.5	28.2	3.6
1954	29.4	34.5	30.9	7.3	22.5	5.6
1955	30.4	34.1	30.8	6.3	20.0	4.9
1956	31.0	33.0	32.1	6.7	19.8	6.2
1957	33.2	35.5	34.5	7/	7/	7/
Total	---	---	---	92.3	---	30.6

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Not based on parity but set by law at 66 2/3 percent of the burley support. 5/ Actual loan stocks on a packed-weight basis average about 8 percent less than these farm-sales weight figures. 6/ An additional 200,000 pounds under option to British manufacturers were pledged for CCC loans but were purchased and shipped by mid-1953. 7/ Of early marketings, about a sixth of type 35 and a tenth of type 36 went under loan.

for dark air-cured. More dark air-cured than usual went into nonchewing uses last season. Exports of about $11\frac{1}{4}$ million pounds (farm-sales weight) in 1956-57 were nearly double those of a year earlier and the highest since 1948-49. The increase resulted mainly from sales at reduced prices of 1950 and prior crop tobacco under Government loan.

Exports of One Sucker leaf in 1956-57 amounted to 5 million pounds (farm-sales weight), contrasted with a half-million pounds in the preceding marketing year. The Union of South Africa, a new outlet, accounted for three-fifths of the total. Belgium took a million pounds, 5 times as much as a year earlier. Portugal, which received none in 1955-56, took 428,000 pounds. Increased quantities also went to Finland.

Green River leaf exports of 2.1 million pounds (farm-sales weight) in 1956-57 were 1 million pounds higher than in the preceding marketing year. More than half went to Union of South Africa, which took none in 1955-56. The United Kingdom, usually the principal foreign market for Green River, took more than a year earlier, but substantially less than in 1954-55. Exports to Belgium were only three-fifths of 1955-56 shipments.

Exports of Black Fat, a semiprocessed product composed largely of dark air-cured tobacco (mostly One Sucker), amounted to 4.4 million pounds in 1956-57, slightly less than a year earlier. Exports to Nigeria, accounting for one-half of the total, were down nearly 15 percent. Larger quantities than in 1955-56 went to Ghana (formerly Gold Coast) and French West Africa, traditionally the other leading outlets for Black Fat. Cameroon and Spanish Africa also received more than a year earlier, but less went to Canary Islands.

Cigar, Types 41-62

Prices

Most cigar tobacco is sold at the "barn door" during the fall and winter. This year in the Connecticut Valley, buying began in mid-November. Almost 50 percent of the Broadleaf (type 51) crop has been sold at prices averaging moderately below last season. Approximately percent of the Havana Seed crop has been sold at prices ranging between 33 cents and 57 cents a pound. The Conn-Mass Tobacco Cooperative began receiving tobacco for Government loans December 9.

Purchases of Wisconsin binder types 54 and 55 usually begin in January. Most of Ohio filler types 42-44 was sold by December 1. Prices were reported as averaging near 23 cents. The season average price for last year's crop was 22.0 cents.

Government support prices for 1957 crops of eligible cigar types are shown in table 17. Support levels for most types are close to those of last year. The support prices for the continental types are based on 90 percent of parity for the respective kind of tobacco, as provided by law when marketing quotas are in effect. Price support for 1957 crop Broadleaf (type 51) is available only on an unsorted basis.

The support price for Puerto Rican filler crop that will be mainly harvested and marketed in the first half of 1958 is 32.5 cents per pound--1.1 cents higher than for the year earlier. A Federal market quota is not in effect for Puerto Rican tobacco, and its price support is set in accordance with a sliding scale related to supply. The support price for the crop to be marketed in 1958 reflects 90 percent of parity as of October 1, 1957. In the 1956-57 marketing year, the support price was based on 89 percent of parity.

As growers of Pennsylvania filler type 41 rejected marketing quotas applicable to their 1956, 1957, and 1958 crops, Government price support is not available for the 1957 crop of this type. The cigar wrapper types are not covered by price support legislation.

Supplies

Filler: The 1957-58 total supply of continental filler types grown in Pennsylvania and Ohio is 175 million pounds, 5 percent less than in 1956-57 and the lowest on record. October 1 stocks were up slightly from last year (attributable to larger holdings of the Pennsylvania type), but the 1957 crop of nearly 47 million pounds was over one-sixth smaller than harvested in 1956. Though acreage harvested in the Pennsylvania area was only 2 percent smaller than in 1956, adverse weather reduced the crop to 41 million pounds, nearly 20 percent less than obtained last year. The Ohio crop is one-tenth smaller than 1956 harvestings.

October 1, 1957 stocks of Puerto Rican tobacco at 50-1/3 million pounds were over 7 million less than a year earlier and 9 million less than 2 years earlier. About 51 percent was held on the mainland and 49 percent on the Island. Early unofficial reports indicate that, given favorable weather, the 1957-58 crop could be around a fourth larger than the 24 million pounds produced in 1956-57.

Binder: The 1957-58 total supply of binder types 51-55 at about 127 million pounds is 12 percent less than a year ago and a new record low. The reduction in total supplies of Connecticut Valley binder types 51-52 is greater than for Wisconsin binder, reflecting the lower requirements resulting from increasing use of "homogenized" binder sheet. Before the development of processed binder, considerably more than half of natural binder used on domestically-manufactured cigars consisted of the Connecticut Valley types.

Table 17.--Cigar tobacco types: Government loan levels and season average prices, 1955-57

Type	1955		1956		1957
	Loan level 1/	Season average price	Loan level 1/	Season average price	Loan level 1/
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
Ohio cigar filler, types 42-44	24.7	21.8	23.4	22.0	23.2
Puerto Rican filler, type 46	31.9	25.2	31.4	30.8	32.5
Connecticut Valley Broadleaf binder, type 51	53.9	44.9	52.5	59.0	53.8
Connecticut Valley Havana Seed binder, type 52	50.8	35.0	49.0	42.3	48.8
Southern Wisconsin binder, type 54	24.5	22.9	22.8	26.1	23.3
Northern Wisconsin binder, type 55	32.0	24.6	29.6	30.9	29.9

1/ For Pennsylvania Havana Seed, type 53: 1955, 25.0 cents; 1956, 23.6 cents; and 1957, 23.3 cents.

Table 18.--Cigar tobacco price support operations, quantities placed under loan, 1946-57 and remaining under loan

Crop year	Ohio, types 42-44	Puerto Rican, type 46	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1946	0	10.6	0	0	2.2	0	12.8
1947	0	10.3	0	0	.8	0	11.1
1948	0	12.3	0	0	2.0	3.0	17.3
1949	0	9.3	.1	3.2	.2	.5	13.3
1950	2.6	.3	.1	3.7	1.4	.6	1/11.5
1951	.6	1.1	1.7	2.7	4.8	.1	1/11.0
1952	2/	1.4	2/	2/	2/	2/	1.4
1953	2.7	1.4	3/	1.8	2.4	1.9	1/10.3
1954	1.2	5.1	.8	3.4	1.3	.9	12.7
1955	.8	2.8	7.8	5.2	.4	3.1	20.1
1956	.4	1.5	1.7	1.6	.1	.9	6.2
1957	On December 9, loan operations began on types 51-52.						
Total	8.3	56.1	12.2	21.6	15.6	11.0	1/127.7
Remaining as of November 30, 1957	1.9	.9	6.4	6.5	.5	1.5	17.7

1/ Includes 2.8 million pounds of 1950 crop Pennsylvania Seedleaf (type 41) and negligible amounts from the 1950, 1951, and 1953 crops of New York and Pennsylvania Havana Seed (type 53). 2/ Price support not in effect because marketing quotas were disapproved by growers. 3/ Less than 50,000 pounds.

Table 19.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)

Year	Production	Stocks Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Cents
	Pennsylvania Seedleaf (type 41)						
1947	52.1	98.5	150.6	50.8	49.3	1.5	30.5
1948	57.4	99.8	157.2	51.2	50.5	.7	26.3
1949	54.2	106.0	160.2	44.4	43.7	.7	26.4
1950	56.0	115.8	171.8	45.6	45.0	.6	26.4
1951	56.2	126.2	182.4	50.0	49.3	.7	19.0
1952	37.9	132.4	170.3	51.2	50.8	.4	25.2
1953	38.2	119.1	157.3	51.6	51.4	.2	27.5
1954	48.8	105.7	154.5	41.5	41.4	.1	27.4
1955	45.7	113.0	158.7	55.0	54.6	.4	24.5
1956	51.0	103.7	154.7	49.5	49.3	.2	24.0
1957 2/	41.2	105.2	146.4				
	Ohio, Miami Valley (types 42-44)						
1947	8.4	23.7	32.1	8.2	8.2		31.0
1948	10.9	23.9	34.8	8.9	8.9		23.0
1949	11.2	25.9	37.1	9.1	9.1		25.0
1950	10.5	28.0	38.5	7.3	7.3		18.6
1951	7.3	31.2	38.5	10.0	10.0		24.4
1952	8.8	28.5	37.3	10.0	10.0		25.0
1953	6.6	27.3	33.9	9.8	9.8		18.5
1954	8.0	24.1	32.1	9.2	9.2		22.5
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.6	23.2	29.8	6.7	6.7		22.0
1957 2/	5.9	23.1	29.0				
	Puerto Rico (type 46)						
1947	26.1	74.0	100.1	32.1	30.6	1.5	27.5
1948	27.0	68.0	95.0	41.8	32.9	8.9	27.0
1949	26.0	53.2	79.2	28.1	25.9	2.2	20.0
1950	25.5	51.1	76.6	28.8	28.5	.3	28.0
1951	28.1	47.8	75.9	34.1	33.8	.3	30.0
1952	34.3	41.8	76.1	28.9	28.6	.3	32.0
1953	34.1	47.2	81.3	32.1	32.0	.1	30.0
1954	34.0	49.2	83.2	23.9	23.8	.1	30.5
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957 2/		50.3					

1/ Year beginning October 1. 2/ Preliminary.

October 1, 1957 stocks of the combined binder types were about 99 million pounds, compared with 110 million a year earlier and a 5-year (1951-55) average of 128 million. This year's production of about 28 million pounds is 16 percent less than in 1956, and 40 percent smaller than the 1951-55 average. The drop occurred almost entirely in the Connecticut Valley, where allotments were reduced 10 percent below 1956 levels and a substantial acreage was placed in the Soil Bank. Production of Connecticut Valley Broadleaf and Havana Seed was down by 36 percent and 45 percent, respectively. The average yield per acre of Broadleaf was 2 percent below the 1956 record high; that of Havana Seed was 4 percent less than the favorable yield of last year. The Northern and Southern Wisconsin crops were 4 percent lower and 5 percent greater respectively, than in 1956. Acreage allotments in 1957 for most growers of the Wisconsin types were about the same as in 1956, and participation in the Soil Bank was considerably less than in the Connecticut Valley. Average yield per acre for Southern Wisconsin binder equaled the 1956 record high; that of the Northern Wisconsin type reached a new peak.

1958 Cigar Filler and Binder Allotments

The 1958 marketing quotas and acreage allotments for Connecticut Valley cigar binder types 51-52, and Ohio filler types 42-44 and cigar binder types 53-55 (mainly Wisconsin) will be announced by February 1, 1958. Growers of these cigar tobaccos have approved marketing quotas for their 1957, 1958, and 1959 crops. The Soil Bank will be available for 1958 crops of these types.

(See page 17.)

Cigar Wrapper Supplies

The total supply of cigar wrapper (shade-grown types 61-62) in the marketing year beginning July 1, 1957 is about $36\frac{1}{2}$ million pounds, about $2\frac{1}{4}$ million more than in 1955-56 and slightly higher than the previous record 1952-53 figure. Carryover of $18\frac{1}{2}$ million pounds was $1\frac{1}{2}$ million above the relatively low holdings on July 1, 1956. Stocks of both the Connecticut Valley type 61 and Georgia-Florida type 62 were larger than a year earlier. The 1957 cigar wrapper crop was 17.9 million pounds, up three-fourths of a million from last year, with both types sharing in the increase. This year's combined crop was the largest ever harvested.

October 1, 1957 stocks of wrapper held by dealers and manufacturers were slightly lower than a year earlier. Holdings of type 62 were up a little from a year ago, but this was more than offset by the decrease in stocks of type 61.

Table 20.- Cigar binder tobacco, types 51-55: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)

Year	Production	Stocks October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
	Connecticut Valley Broadleaf (type 51)						
1947	15.0	28.6	43.6	13.3			51.0
1948	14.0	30.3	44.3	17.8	13.5	4.3	60.0
1949	14.1	26.5	40.6	12.9	11.8	1.1	53.0
1950	16.4	27.7	44.1	14.3	13.3	1.0	52.0
1951	14.5	29.8	44.3	14.1	13.2	.9	51.0
1952	14.8	30.2	45.0	14.5	13.8	.7	50.0
1953	14.7	30.5	45.2	13.4	12.7	.7	58.4
1954	13.3	31.8	45.1	11.7	11.5	.2	56.5
1955	12.1	33.4	45.5	14.7	14.3	.4	44.9
1956	7.5	30.8	38.3	12.5	11.0	1.5	59.0
1957 2/	4.8	25.8	30.6				
	Connecticut Valley Havana Seed (type 52)						
1947	15.1	16.5	31.6	12.2			73.3
1948	14.6	19.3	33.9	14.1	9.4	4.7	62.3
1949	14.7	19.8	34.5	9.5	7.4	2.1	41.9
1950	15.2	25.0	40.2	12.9	11.2	1.7	39.8
1951	11.2	27.3	38.5	11.0	9.1	1.9	42.6
1952	9.6	27.5	37.1	12.9	11.5	1.4	48.9
1953	12.0	24.2	36.2	11.9	10.8	1.1	54.9
1954	11.9	24.3	36.2	12.9	12.2	.7	44.0
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957 2/	3.2	20.2	23.4				
	Southern Wisconsin (type 54)						
1947	15.8	37.9	53.7	16.5			22.3
1948	11.9	37.2	49.1	9.3	8.9	.4	22.4
1949	12.6	39.8	52.4	12.3	12.3		22.8
1950	13.2	40.1	53.3	13.0	13.0		23.5
1951	10.4	40.3	50.7	16.0	16.0		25.3
1952	8.3	34.7	43.0	9.7	8.1	1.6	19.5
1953	7.2	33.3	40.5	10.0	10.0		24.3
1954	7.5	30.5	38.0	9.0	8.5	.5	24.3
1955	6.7	29.0	35.7	10.3	9.9	.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957 2/	7.1	21.0	28.1				
	Northern Wisconsin (type 55)						
1947	21.5	37.6	59.1	22.9			34.9
1948	18.4	36.2	54.6	19.4	17.7	1.7	23.0
1949	18.8	35.2	54.0	13.2	13.0	.2	28.5
1950	18.7	40.8	59.5	16.4	16.3	.1	28.1
1951	12.9	43.1	56.0	15.6	15.5	.1	31.3
1952	13.6	40.4	54.0	18.6	18.4	.2	31.4
1953	12.8	35.4	48.2	16.4	16.1	.3	31.9
1954	15.4	31.8	47.2	16.3	16.1	.2	32.7
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957 2/	13.0	31.6	44.6				

1/ Year beginning October 1.
2/ Preliminary.

Domestic Use and Exports

Total disappearance of Pennsylvania and Ohio filler in the October 1956-September 1957 marketing year of about 56 million pounds was one-tenth less than the relatively high figure of a year earlier although substantially greater than 2 years earlier. Disappearance of the Pennsylvania type, which comprised nearly 90 percent of total disappearance of continental filler, dropped 5½ million pounds. Use of Ohio filler declined for the fourth successive season to a new low, and was a half-million pounds below 1955-56 disappearance.

Exports of continental cigar filler tobacco in 1956-57, at approximately 150,000 pounds, was only 40 percent of the preceding year's total. Most of the exports went to Algeria.

Total disappearance of combined binder types 51-55 in the October 1956-September 1957 marketing year at about 45¼ million pounds was 10 percent less than a year earlier and the lowest on record. Domestic use--accounting for 93 percent of the total--dropped 12 percent from 1955-56 and was over a fifth below the average for the 4 years preceding 1954-55.

The decline in domestic use was in the Connecticut Valley types; domestic disappearance of the Wisconsin types was higher than in 1955-56. Domestic disappearance of Broadleaf (type 51) at 11 million pounds was nearly a fourth smaller than in the preceding season; that of Havana Seed (type 52) dropped nearly 44 percent to 5.7 million pounds. Exports of Broadleaf totaled 1½ million pounds (farm-sales weight), 3½ times as much as was shipped in 1955-56 and the largest since 1948-49. Two-thirds of the total went to Spain; nearly all the rest went to Netherlands, Belgium, West Germany, East Germany, Norway and Canada. Exports of Havana Seed at 1.5 million pounds were about equal to those in 1955-56. Principal destinations were Belgium, which took substantially more than a year earlier, and West Germany, Austria and Netherlands, each of which received less than in 1955-56

Domestic use of Southern Wisconsin binder (type 54), 11 million pounds, was up a tenth from 1955-56, and was the largest in 5 seasons. Domestic disappearance of Northern Wisconsin type 55 at 13.4 million pounds, although 2 percent larger than a year earlier, was still substantially below average use in the 5 marketing years 1950-54. Wisconsin binder exports of 366,000 pounds in 1956-57 were only half of those in 1955-56. More than 50 percent of 1956-57 exports went to Poland. Takings by West Germany and Sweden, which in 1955-56 were principal outlets, were reduced sharply in 1956-57.

Total disappearance of shade-grown wrapper types 61-62 in the July 1956-June 1957 marketing year at 15.7 million pounds was about a million lower than in each of the 2 preceding seasons. Disappearance of Connecticut Valley type 61 was up slightly, but this was more than offset by the decline of

Table 21.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)

Year	Production	Stocks July 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
	Connecticut Valley Shade-grown (type 61)						
1947	9.3	10.1	19.4	8.7			310.0
1948	9.8	10.7	20.5	8.4			290.0
1949	11.1	12.1	23.2	9.6			205.0
1950	9.1	13.6	22.7	9.7			205.0
1951	8.2	13.0	21.2	8.3			205.0
1952	8.9	12.9	21.8	10.8			210.0
1953	10.3	11.0	21.3	9.9			205.0
1954	9.9	11.4	21.3	10.2			215.0
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957 2/	10.9	11.4	22.3				
	Georgia-Florida Shade-grown (type 62)						
1947	4.2	3.2	7.4	3.6			265.0
1948	5.3	3.8	9.1	4.6			245.0
1949	6.2	4.5	10.7	4.8			195.0
1950	6.4	5.9	12.3	5.4			200.0
1951	6.8	6.9	13.7	5.4			180.0
1952	5.8	8.3	14.1	5.8			180.0
1953	4.5	8.3	12.8	6.0			195.0
1954	6.6	6.8	13.4	6.5			195.0
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957 2/	7.1	7.1	14.2				
	Total Shade-grown (types 61-62)						
1947	13.5	13.4	26.9	12.4	12.4	0	296.0
1948	15.1	14.5	29.6	13.0	10.5	2.5	274.0
1949	17.3	16.6	33.9	14.5	10.8	3.7	201.0
1950	15.5	19.4	34.9	14.9	11.3	3.6	203.0
1951	14.9	20.0	34.9	13.7	10.1	3.6	194.0
1952	14.7	21.2	35.9	16.6	12.2	4.4	198.0
1953	14.8	19.3	34.1	15.9	12.2	3.7	202.0
1954	16.4	18.2	34.6	16.6	12.4	4.2	207.0
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957 2/	17.9	18.5	36.4				

1/ Year beginning July 1.
2/ Subject to revision.

one-sixth in Georgia-Florida wrapper. Exports of $4\frac{1}{2}$ million pounds were 12 percent smaller than record shipments in 1955-56. West Germany received two-thirds of the total.

Cigar wrapper exports in the first one-third of the 1957-58 marketing year (July-October 1957), about 1-3/4 million pounds, were 31 percent higher than in the comparable period of 1956. West Germany has continued as the ranking outlet, taking one-third more than in the same months of a year ago. More also went to Canada and Belgium, but less to Netherlands.

Table 22.- Tobacco. Acreage in the United States, by types, for specified periods with percentages

Period	Flue-cured 11-14	Fire-cured 21-24 1/	Burley 31	Maryland 32	Dark air- and sun-cured 35-37	Cigar: Filler 41-45 1/	Cigar: Binder 51-56 1/	Cigar: Wrapper 61-62	United States
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Averages									
1924-28	893.7	224.4	322.2	31.2	85.9	68.1	64.0	9.6	1,700.3
1929-33	949.5	204.3	460.9	36.1	64.5	65.3	56.3	9.0	1,847.3
1934-38	863.2	135.2	347.2	36.7	42.0	38.7	29.2	8.9	1,501.3
1939-43	872.8	90.1	375.4	38.4	38.6	45.2	39.2	10.2	1,510.3
1944	1,017.3	64.7	496.6	45.0	40.2	37.9	37.3	10.5	1,749.9
1945	1,078.7	61.3	512.3	35.0	44.1	36.0	41.8	11.2	1,820.7
1946	1,188.8	91.6	489.0	50.0	40.8	39.0	48.8	12.5	1,960.8
1947	1,161.2	83.8	420.5	47.5	35.3	42.7	46.4	13.6	1,851.6
1948	883.8	62.6	432.0	46.6	29.9	43.6	39.7	15.1	1,553.6
1949	935.4	60.7	447.4	50.0	31.9	42.4	39.5	15.6	1,623.2
1950	958.4	52.9	408.3	50.0	28.7	45.1	41.5	13.7	1,599.0
1951	1,110.1	49.0	456.1	53.0	26.5	39.8	31.4	13.6	1,779.9
1952	1,111.3	47.4	463.5	50.0	26.3	29.4	30.4	13.1	1,771.8
1953	1,021.8	48.3	419.7	45.0	26.0	30.5	29.0	12.3	1,632.9
1954	1,042.2	52.0	420.9	50.0	25.9	33.8	29.4	13.0	1,667.5
1955	990.7	48.2	310.6	47.0	24.2	33.9	27.7	12.9	1,495.4
1956 2/	875.3	47.0	309.8	43.7	22.4	34.0	19.1	13.3	1,364.9
1957 2/	662.7	36.9	306.1	37.0	17.7	33.1	16.1	13.1	1,123.0
	Percentage decrease								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Av. 1947-49 to 1957	33.3	46.5	29.4	22.9	45.4	22.8	61.6	11.5	33.0
1956 to 1957	24.3	21.5	1.2	15.3	21.0	2.6	15.7	1.5	17.7

1/ Types 45, 56, and 24 ended in 1939, 1948, and 1949, respectively.
2/ Subject to revision.

Table 23.--Tobacco: Yield per acre in the United States, by types, for specified periods with percentages

Period	Flue-cured 11-14	Fire-cured 21-24 1/	Burley 31	Maryland 32	Dark air- and sun-cured 35-37	Cigar: Filler 41-45 1/	Cigar: Binder 51-56 1/	Cigar: Wrapper 61-62	All types
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Average:									
1924-28	676	767	807	781	784	1,340	1,256	1,041	765
1929-33	707	777	777	683	803	1,035	1,350	1,039	770
1934-38	856	811	819	749	837	1,266	1,465	954	865
1939-43	963	923	985	755	958	1,323	1,526	982	986
1944	1,069	1,022	1,189	850	1,116	1,440	1,548	1,075	1,115
1945	1,088	951	1,127	525	988	1,261	1,518	1,001	1,094
1946	1,137	1,189	1,256	925	1,215	1,469	1,519	1,000	1,181
1947	1,135	1,031	1,153	795	1,054	1,419	1,495	992	1,138
1948	1,233	1,170	1,396	750	1,165	1,566	1,524	998	1,274
1949	1,191	1,189	1,253	825	1,133	1,542	1,561	1,108	1,213
1950	1,312	1,102	1,222	800	998	1,474	1,548	1,130	1,269
1951	1,309	1,215	1,355	785	1,197	1,594	1,571	1,098	1,310
1952	1,229	1,228	1,403	805	1,286	1,590	1,532	1,124	1,273
1953	1,245	1,013	1,345	900	1,022	1,468	1,618	1,203	1,261
1954	1,261	1,197	1,586	875	1,317	1,681	1,642	1,264	1,346
1955	1,497	1,353	1,513	670	1,284	1,569	1,555	1,213	1,466
1956 2/	1,625	1,501	1,635	850	1,514	1,694	1,754	1,290	1,597
1957 2/	1,485	1,494	1,600	850	1,478	1,422	1,741	1,368	1,496
	Percentage change								
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Av. 1947-49 to 1957	25.2	32.2	26.3	7.6	32.3	-5.8	14.0	32.4	23.8
1956 to 1957	-8.6	-.5	-2.1	0	-2.4	-16.1	-.7	6.0	-6.3

1/ Types 45, 56, and 24 ended in 1939, 1948, and 1949, respectively.

2/ Subject to revision.

Table 24.--Acreage of tobacco in the United States, by class and type, annual 1954-57 and percentages

Class and type	1954	1955	1956 1/	1957 1/	Percentage change 1956 to 1957
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent
Old and Middle Belt, type 11	369.0	354.0	315.0	237.0	-24.8
Eastern North Carolina, type 12	334.0	317.0	282.0	218.0	-22.7
South Carolina, type 13	212.0	197.0	172.0	133.0	-22.7
Georgia and Florida, type 14	127.2	122.7	106.3	74.7	-29.7
Total flue-cured, types 11-14	1,042.2	990.7	875.3	662.7	-24.3
Virginia, type 21	10.0	9.1	8.5	6.9	-18.8
Kentucky and Tennessee, type 22	29.7	27.7	27.3	22.2	-18.7
Kentucky and Tennessee, type 23	12.3	11.4	11.2	7.8	-30.4
Total fire-cured, types 21-23	52.0	48.2	47.0	36.9	-21.5
Burley, type 31	420.9	310.6	309.8	306.1	-1.2
Maryland, type 32	50.0	47.0	43.7	37.0	-15.3
One Sucker, type 35	14.2	12.8	12.5	10.1	-19.2
Green River, type 36	7.6	7.2	6.8	4.9	-27.9
Virginia sun-cured, type 37	4.1	4.2	3.1	2.7	-12.9
Total dark air-cured, types 35-37	25.9	24.2	22.4	17.7	-21.0
Pennsylvania, Seedleaf, type 41	29.2	29.5	30.0	29.4	-2.0
Miami Valley, types 42-44	4.6	4.4	4.0	3.7	-7.5
Total cigar filler, types 41-44	33.8	33.9	34.0	33.1	-2.6
Connecticut Valley Broadleaf, type 51	8.0	7.7	4.3	2.8	-34.9
Conn. Valley Havana Seed, type 52	6.4	5.7	3.0	1.7	-43.3
Southern Wisconsin, type 54	5.1	4.5	4.1	4.3	4.9
Northern Wisconsin, type 55	9.9	9.8	7.7	7.3	- 5.2
Total cigar binder, types 51-55	29.4	27.7	19.1	16.1	-15.7
Conn. Valley Shade-grown, type 61	8.2	8.0	7.9	7.9	0
Ga. and Fla. Shade-grown, type 62	4.8	4.9	5.4	5.2	-3.7
Total cigar wrapper, types 61-62	13.0	12.9	13.3	13.1	-1.5
Louisiana Perique, type 72	.3	.2	.3	.3	0
Total all types	1,667.5	1,495.4	1,364.9	1,123.0	-17.7

1/ Preliminary.

Table 25.--Tobacco manufactures: Net sales, net income, and profit ratios, annual 1947-56, by quarters 1955-57

Year and quarter	Net sales	Net income		Profit			
				Per dollar of sales		As percentage of stockholders' equity (annual basis)	
		Before Federal tax	After Federal tax	Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent
1947	2,641	178	109	6.7	4.1	16.6	10.1
1948	3,081	257	159	8.3	5.2	22.0	13.7
1949	3,061	250	156	8.2	5.1	20.2	12.6
1950	3,129	281	152	9.0	4.9	21.3	11.5
1951	3.329	294	129	8.8	3.9	21.8	9.6
	Current series 1/						
1951	3,378	295	129	8.7	3.8	21.7	9.5
1952	3,702	285	120	7.7	3.2	19.8	8.4
1953	3,768	338	138	9.0	3.7	22.9	9.4
1954	3,672	329	156	9.0	4.2	21.5	10.2
1955	3,796	388	183	10.2	4.8	24.2	11.4
1956	3,955	412	197	10.4	5.0	24.5	11.7
1955							
1	860	74	35	8.6	4.1	18.8	8.9
2	975	98	47	10.1	4.8	24.6	11.8
3	994	110	53	11.1	5.3	27.3	13.1
4	967	106	48	11.0	5.0	26.0	11.8
1956							
1	904	88	41	9.7	4.5	21.4	10.0
2	1,002	105	50	10.5	5.0	25.2	12.0
3	1,026	111	54	10.8	5.3	26.2	12.7
4	1,027	109	52	10.6	5.1	25.4	12.1
1957							
1	936	90	44	9.6	4.7	21.0	10.3
2	1,066	111	52	10.4	4.9	25.4	11.9

1/ Not strictly comparable to the series previously published for 1947-51, but differences in the current and previous series for 1951 are relatively minor.

Compiled and adapted from Quarterly Financial Report for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.

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